

# CHAPTER 4

## **ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT – PART II)**

### **INTRODUCTION**

People-focused organisational development is central to service delivery, hence the emphasis on the implementation of Batho Pele Principles in all municipal structures, systems, procedures, policies and strategies.

In prior years, the Municipality did not have a Council registered staff establishment to monitor the number of permanent and contractual staff within an approved structure to deliver on services and/or the growth required in various areas for service delivery in terms of human resources planning.

In April 2016, a process plan and organisational structure were registered with Council to facilitate the development of a comprehensive staff establishment and allow for future HR planning and budgeting.

A “phased” approach is being used to register the number of permanent and contractual staff necessary for regular performance and service delivery (Gazetted by the Minister in 2013). Efforts to develop a new “service delivery model” organisational structure and staff establishment aligned to the current/new IDP are underway.

The staff establishment, within the available budget, will be registered with Council as soon as the number of actual and required posts is systematically established and finalised. Currently, staff establishment requirements are not complete or accurate, therefore the number of approved posts and vacancies cannot be reflected with 100% accuracy at this stage.

Only the number of employees can be reflected at this stage of the phased-in approach to registering a detailed “Staff Establishment” within the NMBM Council.

Due to the formal staff establishment record methodology of the past, which did not record the number of posts per job description from the establishment of the NMBM and the 'pool method' of recording finances for positions, inaccurate records exist concerning the number of actual positions per job description (vacant funded and unfunded) within various offices.

Also contributing to this is the method that funds were being used/shifted to fill vacancies for new or additional posts in other areas, while the staff records and amendments were not recorded in Council and/or per job description and position. The problem was perpetuated over a number of years, and a totally accurate vacancy rate can therefore not be determined at this stage. It can only be said that there are currently 245 vacancies (funded and unfunded). The Staff Establishment methodology currently underway will attempt to close this gap by allowing for accurate recording and maintenance, to be used in future HR planning purposes.

## COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year -1 (2014-15)	Year 0 (2015-16)			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Budget & Treasury	621		613	6	0.92
COO	87		82	5	5.75
Corporate Services	654		659	41	6.22
EDRS & SRAC	540		545	22	4.03
Executive Mayor	44		40	1	2.5
Human Settlements	353		383	10	2.61
Infrastructure & Engineering	1,402		1,345	82	6.09
Municipal Manager	27		140	1	0.71
Public Health	1,137		1,103	42	3.89
Safety & Security	954		934	22	2.35
Electricity & Energy	644		621	17	2.73
Chief of Staff	1		1	0	0
Special Projects	36		548	0	0
<b>Totals</b>	<b>6,500</b>		<b>7,014</b>	<b>249</b>	<b>3.55</b>

<b>Vacancy Rate: Year 0 (2015-16)</b>			
<b>Designations</b>	<b>*Total Approved Posts</b>	<b>*Vacancies (Total time that vacancies exist using full-time equivalents)</b>	<b>*Vacancies (as a proportion of total posts in each category)</b>
	<b>No.</b>	<b>No.</b>	<b>%</b>
Municipal Manager	1	1	100%
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	10	2	20%
Other S57 Managers (Finance posts)	0	0	0
Police officers	0	0	0
Fire fighters	250	4	1.6
Senior management: Levels 13-15 (excluding Finance Posts)	91	4	5.49
Senior management: Levels 13-15 (Finance posts)	18	0	0
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	112	5	4.46
Highly skilled supervision: Levels 9-12 (Finance posts)	17	0	0
<b>Total</b>	<b>500</b>	<b>16</b>	<b>3.2</b>

<b>Turnover Rate</b>			
<b>Details</b>	<b>Total appointments as of beginning of Financial Year No.</b>	<b>Terminations during the Financial Year No.</b>	<b>Turnover Rate*</b>
Year -2 (2013/14)	1179	680	0.576
Year -1 (2014/15)	664	1866	2.81
<b>Year 0 (2015/16)</b>	207	1913	0.268

#### **COMMENT ON VACANCIES AND TURNOVER:**

It is acknowledged that there has been a high level of acting positions in the institution during the 2015/16 financial year. This is mainly attributed to the fact that a moratorium on the filling of vacancies was resolved on by Council prior to 1 July 2015 and that the said moratorium was only partially lifted on 1 April 2016, when the Council approved the filling of critical vacancies only.

Furthermore, budget cuts during the 2015/16 financial year resulted in a number of vacancies losing their funding, hence funding had to be sourced elsewhere by the Budget and Treasury Directorate to ensure the filling of unfunded critical vacancies.

Effectively, all recruitment processes were fully operational during the last quarter of the 2015/16 financial year (as from 1 April 2016 – 30 June 2016) with respect to the filling of critical vacancies, which also contributed to the reduction in the vacancies within the institution.

The placement of contractual staff in order to comply with the Labour Relations Amendment Act promulgated on 1 January 2015 saw the placement of persons in vacant positions that existed on the organisation's structure, thereby reducing the number of vacancies that existed within the institution.

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Nelson Mandela Bay Municipality is an equal opportunity employer who subscribes to the promotion of equal opportunity and fair treatment in employment through the elimination of unfair discrimination. The Municipality has accordingly implemented various affirmative action measures in order to ensure equitable representation in all occupational categories and levels in the workplace.

#### 4.2 POLICIES

<b>Corporate Services (HR Policies and Plans) (status as at 30 June 2016)</b>				
<b>NO</b>	<b>Name of Policy</b>	<b>Completed</b>	<b>Reviewed</b>	<b>Date adopted by Council or comment on failure to adopt</b>
		%	%	
1	Acting Procedures	2 <sup>nd</sup> draft to be considered	currently under review, amendments required	August 30, 2012
2	Adult Basic Education and Training (ABET)	100%	To be reviewed during 2016/17	September 3, 2003
3	Asset Loss Control Policy	100%	Under review	April 3, 2007
4	Asset Management Policy	100%	Review only due in 2018	Reviewed Policy adopted - 6 February 2013
5	Asset Disposal Policy	100%	Review only due in 2018	Reviewed Policy adopted - 7 May 2013
6	Policy and Procedure for the Disposal of Movable Assets Not of High Value	100%	Current	September 19, 2013
7	Bay Stars Employee Excellence Programme Policy Procedures Manual	100%	Due for review in 2016/17	June 19, 2014
8	Career Management	100%	Due for review in 2016/17	March 26, 2010
9	Cellular and Data Services	100%	Review to be concluded during 2016/17	July 22, 2010

<b>Corporate Services (HR Policies and Plans) (status as at 30 June 2016)</b>				
<b>NO</b>	<b>Name of Policy</b>	<b>Completed</b>	<b>Reviewed</b>	<b>Date adopted by Council or comment on failure to adopt</b>
		%	%	
10	Councillor Welfare Policy	100%	Review commenced in the 2014/15 financial year and will continue into the 2015/16 financial year	Adoption date to be confirmed
11	Councillor Support Policy	100%	Current	June 25, 2009
12	Education, Training and Development (ETD)	100%	Review continue from 2015/16 into 2016/17	September 3, 2003
13	Experiential and Internship	100%	Review to be conducted during 2016/17	September 3, 2003
14	Employee Bursary	100%	Review to be conducted during 2016/17	June 19, 2014
15	External Bursaries	100%	Review to be conducted during 2016/17	September 3, 2003
16	E-governance		Review to be conducted during 2016/17	June 20, 2005
17	Induction Policy	100%	Review to be conducted during 2016/17	September 2, 2010
18	Information Security Management Policy Procedure and Guidelines	100%	Final reviewed draft ready to be presented to the new HR & CA Standing Committee	February 14, 2008
19	Language			April 11, 2009
20	Learnership	100%	Review to be conducted during 2016/17	March 19, 2010
21	Mentorship Strategy	100%		March 6, 2013
22	Organizational Establishment Policy		Review continued from 2015/16 into 2016/17	November 10, 2010
23	Performance Management Policy	100%	Review only due in 2017	February 24, 2014
24	Petition Policy	100%	review will commence in the next financial year (2015/16)	October 11, 2012

<b>Corporate Services (HR Policies and Plans) (status as at 30 June 2016)</b>				
<b>NO</b>	<b>Name of Policy</b>	<b>Completed</b>	<b>Reviewed</b>	<b>Date adopted by Council or comment on failure to adopt</b>
		%	%	
25	Policy Governing Funding to External Organisations (previously called the Grants-in-Aid Policy)		Current	May 22, 2014
26	Public Participation Policy and Public Participation Procedures Manual	100%	Current	August 7, 2014
27	Records Management	100%	Current	June 19, 2014
28	Recruitment, Selection & Retention	100%	Review continues from 2015/16 into 2016/17	adopted – 2007
29	Rules of Order	100%	Review to be conducted during 2016/17	September 6, 2007
30	Recognition of Prior Learning	100%	Review continues from 2015/16 into 2016/17	September 3, 2003
31	Strategy to integrate People with Disability	100%	Reviewed Mayoral - 27 June 2007	July 16, 2003
32	Strategy to Mainstream Gender in the workplace	100%		July 16, 2003
33	Succession Planning	100%	Review continues from 2015/16 into 2016/17	March 26, 2010
34	Travel	100%	under review	September 2, 2010
35	Ward Committee Policy	100%	Review continues from 2015/16 into 2016/17	25 and 30 June 2009
36	Work Attendance policy	100%	Under review, as amendments are required to be considered	May 14, 2014
37	Sexual Harassment Policy	100%	Review is only due when certain sections of the Labour Relations Act change (no changes were made since 2007)	April 11, 2007

## COMMENT ON WORKFORCE POLICY DEVELOPMENT:

During the period under review, a number of policies developed by various sub-directorates in Corporate Services were reviewed. A Policy workshop was held on 14 – 15 April 2016 with relevant stakeholders in the municipal directorates, together with SALGA, to prioritise Corporate HR related policies.

The review and amendment of HR Council Policies will continue into the next financial year until the process is concluded.

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

#### INJURIES

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R000
Required basic medical attention only	1397	93		1	863,548
Temporary total disablement					
Permanent disablement					
Fatal		1			
Total	1397	0	0	1	863,548



	Levels	Total sick leave	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees per level	Average sick leave per employee	Estimated Cost
Levels		Days		%	No		Days	R
0-3		2416 8.50	3510.00	14.52	1665.00	2204.00	11.00	10151934.14
4-6		2303 5.04	5594.54	24.29	1482.00	1852.00	12.40	13110680.04
7-9		1140 5.50	3029.00	26.56	741.00	870.00	13.10	8880869.13
10-12		1444 4.50	3898.50	26.99	1063.00	1206.00	12.00	14977858.29
13-15		2563. 00	752.00	29.34	218.00	253.00	10.10	3977828.74
16-18		1062. 50	190.50	17.93	82.00	104.00	10.20	2231706.83
19-20		50.50	20.00	39.60	6.00	11.00	4.60	135130.28
<b>Grand Total</b>		<b>7672 9.54</b>	<b>16994.5 4</b>	<b>22.15</b>	<b>5257.00</b>	<b>6500.00</b>	<b>11.80</b>	<b>53466007.44</b>

<b>Number of days and Cost of Sick Leave (excluding injuries on duty)</b>						
<b>Salary band</b>	<b>Total sick leave</b>	<b>Proportion of sick leave without medical certification</b>	<b>Employees using sick leave</b>	<b>Total employees in post*</b>	<b>*Average sick leave per Employees</b>	<b>Estimated cost</b>
	<b>Days</b>	<b>%</b>	<b>No.</b>	<b>No.</b>	<b>Days</b>	<b>R 000</b>
Unskilled and defined decision making	24346	12.90%	1513	2554	9.53%	R11 938 834
Semi-skilled and discretionary decision making	35103	24.61%	2165	2689	13.05%	R25 639 812
Skilled & qual. workers.jnr mgt, supv .foremen.	18835	26.11%	1321	1578	11.94%	R22 005 985
Professionally qualified & experienced specialists and mid-management	2225	24.58%	180	218	10.21%	R4 704 759
Senior management	623	15.33%	45	55	11.33%	R1 846 543
Top management	49	20.41%	12	8	6.13%	R209 778

#### **COMMENTS ON INJURY AND SICK LEAVE:**

The institution has a Sick Leave Monitoring Committee in place, which addresses matters relating to injury on duty and sick leave. A Work Attendance Policy was also developed to define the institution's standards of work attendance and regulate the management thereof. Other interventions include counseling services from the EAP Practitioners and the Labour Relations Sub-directorate.

**SUSPENSIONS**

<b>Number and Period of Suspensions</b>				
<b>Position</b>	<b>Nature of Alleged Misconduct</b>	<b>Date of Suspension</b>	<b>Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised</b>	<b>Date Finalised</b>
Cashier	Financial irregularities and refusal to co-operate with Internal Audit investigation	20.07.2015	Finalised. Employee redeployed.	21.10.2015
Cashier	Financial irregularities and refusal to co-operate with Internal Audit investigation	20.07.2015	Finalised. Employee redeployed.	21.10.2015
Cashier	Financial irregularities and refusal to co-operate with Internal Audit investigation	20.07.2015	Finalised. Employee redeployed.	21.10.2015
Cashier/Clerk	Financial irregularities and refusal to co-operate with Internal Audit investigation	20.07.2015	Finalised. Employee redeployed.	21.10.2015
Cashier	Financial irregularities and refusal to co-operate with Internal Audit investigation	20.07.2015	Finalised. Employee redeployed.	21.10.2015
Cashier	Financial irregularities and refusal to co-operate with Internal Audit investigation	20.07.2015	Finalised. Employee redeployed.	21.10.2015
Cashier	Financial irregularities and refusal to co-operate with Internal Audit investigation	20.07.2015	Finalised. Employee redeployed.	21.10.2015

<b>Number and Period of Suspensions</b>				
<b>Position</b>	<b>Nature of Alleged Misconduct</b>	<b>Date of Suspension</b>	<b>Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised</b>	<b>Date Finalised</b>
	operate with Internal Audit investigation			
Acting Director: Fresh Produce Market	Refusal to co-operate with Internal Audit investigation.	22.07.2015	Finalised. Employee returned to position occupied before acting appointment.	23.10.2015
Executive Director: Human Settlements	Undue influence in rezoning process. Gross insubordination and/or dereliction of duties.	28.08.2015	Settlement Agreement. Services terminated.	30.11.2015
Office Manager: Communications	Unauthorised permission for outside company to utilise Council equipment. Fraud, violation of computer facilities user directive.	28.08.2015	Settlement Agreement. Services terminated.	30.11.2015
Public Relations and Events Officer	Acceptance of an undeclared benefit from a supplier. Irregularities regarding bidding and specifications for a supplier.	04.09.2015	Acceptance of an undeclared benefit from a supplier. Irregularities regarding bidding and specifications for a supplier.	24.11.2015
Data Capturer	Unauthorised removal of files.	22.01.2016	Services terminated.	02.06.2016
NATIS Operator	Intimidation of and threats to staff members.	20.05.2016	Hearing pending	Suspension terminated 28.07.2016
Senior Traffic Officer	Intimidation of and threats to staff members.	20.05.2016	Hearing pending.	Suspension terminated 28.07.2016
NATIS Operator	Intimidation of and threats to staff members.	20.05.2016	Hearing pending.	Suspension terminated 27.07.2016
Senior Traffic Officer	Intimidation of and threats to staff members.	20.05.2016	Hearing pending.	Suspension terminated 27.07.2016

<b>Number and Period of Suspensions</b>				
<b>Position</b>	<b>Nature of Alleged Misconduct</b>	<b>Date of Suspension</b>	<b>Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised</b>	<b>Date Finalised</b>
Deputy Director: Capital	Shared confidential information and unauthorised process of payments.	17.07.2015	Hearing in progress.	
Executive Director: Corporate Services	Dereliction of duty, gross negligence and fraudulent misrepresentation.	30.07.2015	Hearing in progress.	
Coordinator: Office Administration	Unauthorised permission for outside company to utilise Council equipment. Fraud.	28.08.2015	Hearing in progress.	
Controller: Contracts	Irregularities regarding benefits from a supplier and bid specification documents.	04.09.2015	Hearing in progress.	
Director: Human Resources Provisioning	Acted fraudulently/gross dereliction of duties/gross negligence/financial misconduct/gross insubordination	08.09.2015	Hearing in progress.	
Deputy Director: Housing	Gross dereliction of duty	18.09.2015	Hearing in progress.	
Assistant Director: Planning and co-ordination	Unauthorised removal of files.	22.01.2016	Hearing in progress.	

<b>Disciplinary Action Taken on Cases of Financial Misconduct</b>			
<b>Position</b>	<b>Nature of alleged misconduct and Rand value of any loss to the Municipality</b>	<b>Disciplinary action taken</b>	<b>Date Finalised</b>
	No cases of financial misconduct.		

#### **COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:**

During the reporting period, twenty three officials were on either placed on suspension or were already on suspension, emanating from the previous financial year. No cases of financial misconduct were concluded.

#### **4.4 PERFORMANCE REWARDS**

Performance Rewards By Gender							
Designations	Beneficiary profile						
	Gender	Period Reviewed	Expenditure on rewards (Year 1)	Total number of employees in group	Number of beneficiaries	Proportion of beneficiaries within group	Payment
			R000			%	Date
N/A							

#### **COMMENT ON PERFORMANCE REWARDS:**

No Performance Rewards were paid to Executive Directors during the 2015/16 financial year due to a number of Executive Director level deployments to the NMBM from COGTA. During the said reporting period, none of the senior managers qualified for a performance bonus.

**COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE**

The institution has a Workplace Skills Plan in place for the training and development of its staff and the unemployed. In terms of this Plan, a total of 1043 employees participated in different learning programmes and interventions during the 2015/16 financial year. Furthermore, 70 employees are currently beneficiaries in terms of the Bursary Scheme and 130 employees are participating in the Adult Education and Training (AET) Programme.

For the benefit of the unemployed, 75 graduates and 88 experiential learners received workplace training in various fields. A total of 436 are participating in Adult Education and Training (AET); whilst 100 learners are in a Plumbing learnership and a further 50 learners are in a Carpentry learnership. Altogether 23 Unemployed learners participated in computer skills programmes. In addition, 11 bursaries in scarce skills areas were awarded to unemployed persons. The funding for unemployed programmes comes from the Local Government Sector Education and Training Authority (LGSETA).

#### 4.5 SKILLS DEVELOPMENT AND TRAINING

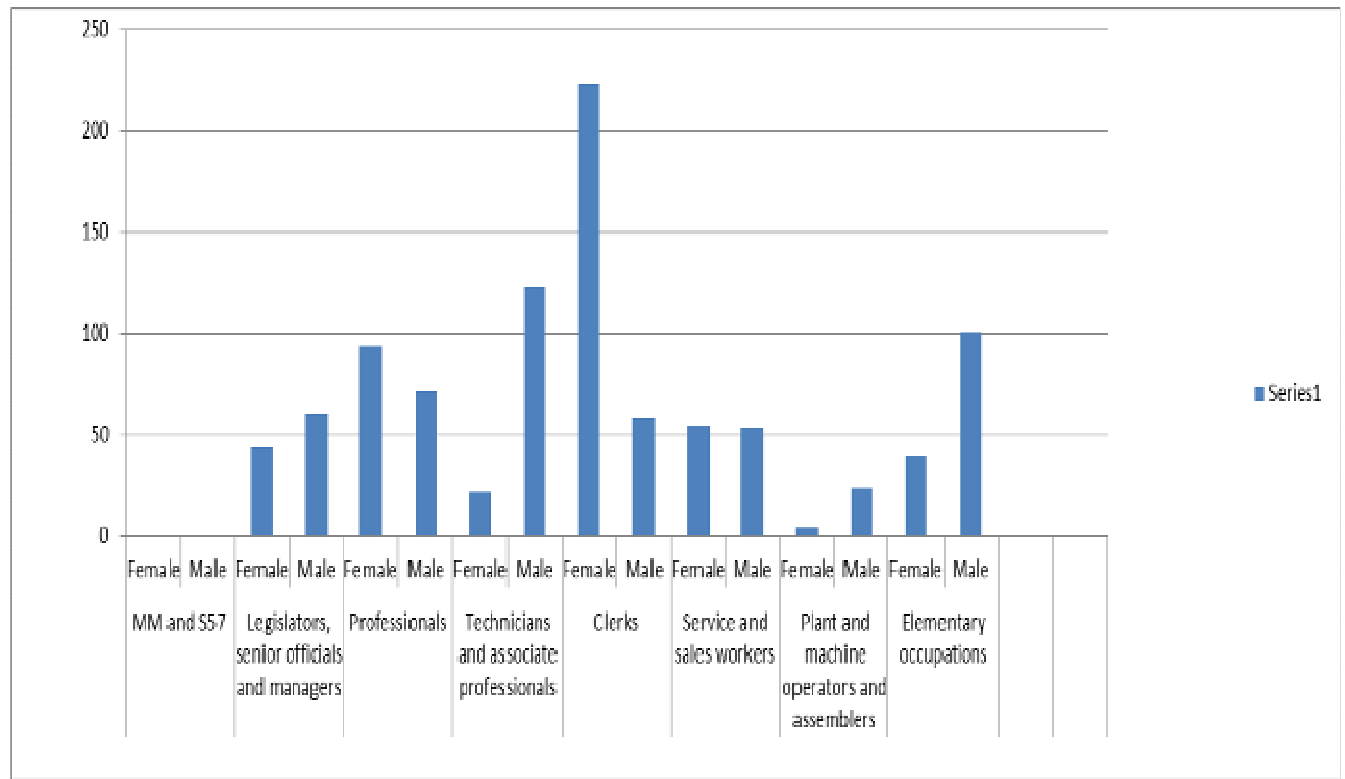
Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2016 (Year 0)	Number of skilled employees required and actual as at 30 June 2016 (Year 0)											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year -1 (2014-15)	Actual: End of Year 0 (2015-16)	Year 0 Target (2015-16)	Actual: End of Year -1 (2014-15)	Actual: End of Year 0 (2015-16)	Year 0 Target (2015-16)	Actual: End of Year -1 (2014-15)	Actual: End of Year 0 (2015-16)	Year 0 Target (2015-16)	Actual: End of Year -1 (2014-15)	Actual: End of Year 0 (2015-16)	Year 0 Target (2015-16)
MM and s57	Female						0							
	Male						0							
Councillors, senior officials and managers	Female			1			44			1			46	
	Male			1			60			2			63	
Technicians and associate professionals*	Female			0			22			2			24	
	Male			1			123			4			128	
Professionals	Female			6			94			3			103	
	Male			5			72			4			81	
Sub total	Female						160			6			166	
	Male						255			10			265	
Total							415			16			431	



Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year (1 July 2015)	Original Budget and Actual Expenditure on skills development Year 1 (2016-17)							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	0								
	Male	0								
Legislators, senior officials and managers	Female	44								
	Male	60								
Professionals	Female	94								
	Male	72								
Technicians and associate professionals	Female	22								
	Male	123								
Clerks	Female	223								
	Male	58								
Service and sales workers	Female	55								
	Male	54								
Plant and	Female	4								

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year (1 July 2015)	Original Budget and Actual Expenditure on skills development Year 1 (2016-17)							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
machine operators and assemblers	Male	24								
Elementary occupations	Female	39								
	Male	101								
Sub total	Female	481								
	Male	492								
Total		973								

## SKILLS DEVELOPMENT BUDGET



## COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The impact of Human Resources Development (HRD) on service delivery is critical, because without appropriately skilled individuals, the needs of communities cannot be met. With this in mind, the Municipality has committed to a systematic process in which employees are trained to acquire competencies that make them more self-reliant and improve their effectiveness in the realisation of the Municipality's goals.

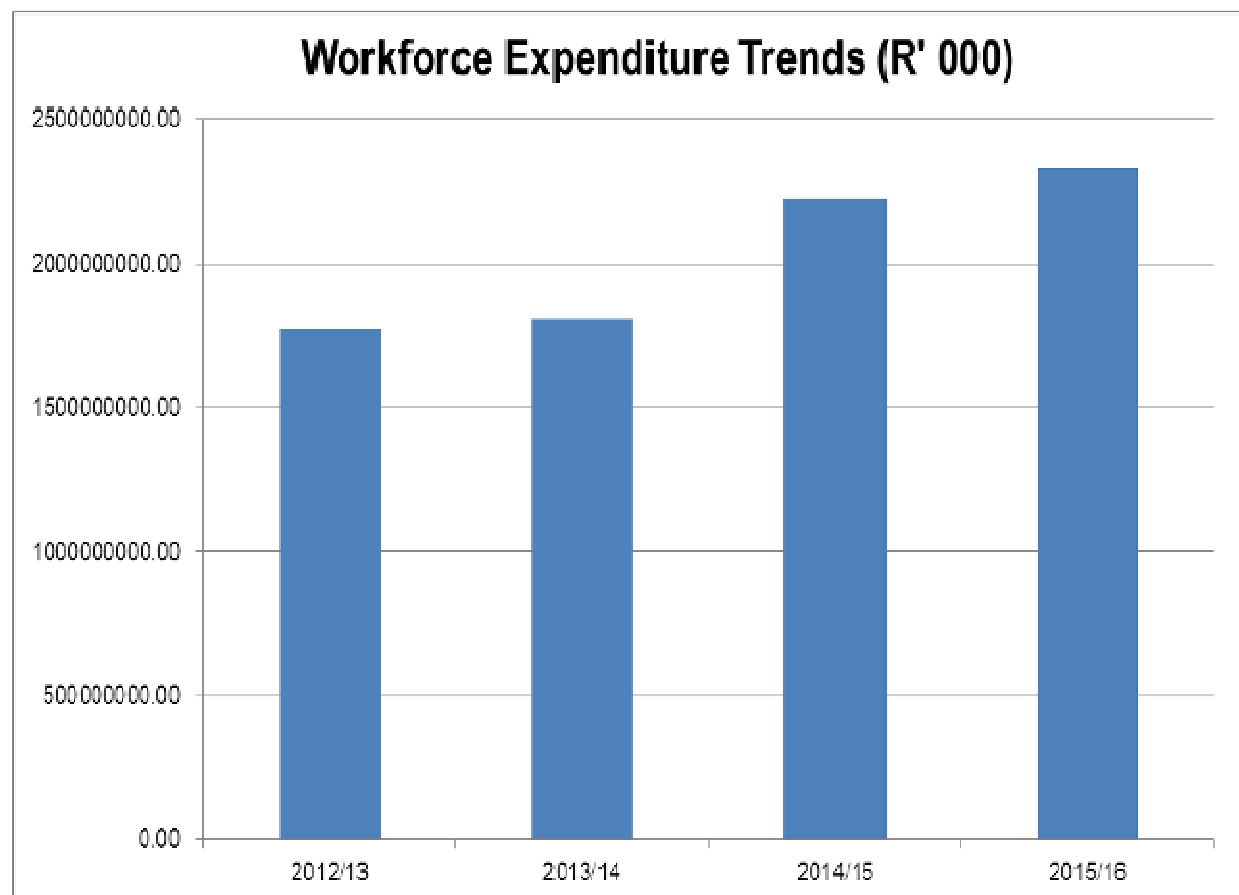
Priority was also given to the implementation of National Treasury Regulations No. 29976 on minimum competency levels, published on 15 July 2007. Furthermore, the Municipality has committed to the development of a competence-based skills development plan, hence the on-going skills audit process.

In the face of on-going challenges in attracting, developing and retaining critically scarce skills, Council has adopted a Mentorship Strategy, still to be implemented. The Mentorship Strategy is geared at ensuring career development, growth and succession planning. This initiative will also assist the institution in eliminating over-reliance on a few capable and technically qualified employees. The spin-offs will include sustained service excellence, accelerated service delivery, highly motivated employees, increased knowledge sharing and management, and the effective transfer of the critical and scarce skills and experience needed by the organisation.

## **COMPONENT D: MANAGING WORKFORCE EXPENDITURE**

### **INTRODUCTION TO WORKFORCE EXPENDITURE**

#### **4.6 EMPLOYEE EXPENDITURE**



Employee costs as a percentage of operating revenue decreased from 31.7% in the 2011/12 financial year to 23.4 in 2013/14, and then increased to 26.40% and 26.68% in 2014/15 and 2015/16 respectively. Non-cash flow expenditure such as the Post Retirement Benefit Provisions impacted on the expenditure levels as it is based on actuarial reports conducted annually. Further matters impacting on the extent of employee related costs are the approved annual salary and other benefit increases. The moratoriums on the filling of vacancies and the budget cuts in respect of vacancies required, to assist in producing a surplus and balanced budget, seriously impacts on the expenditure levels, but unfortunately also the extent of service delivery levels. A further measure impacting the spending level is the operational efficiency management of the administration of the municipality which at this stage produces mixed results between the various directorates.

Impact of the Post Retirement Benefit Provision and Provision for Vacancies:

Year	Post Retirement Benefit Provision	Provision for Leave Pay	Total Employee Related Costs
2012/13	58,201,315.10	(31,982,956.61)	1,724,614,336
2013/14	(113,478,331.90)	14,464,347.73	1,761,674,408
2014/15	114,193,775.84	29,477,226	2,163,726,714
2015/16	163,329,018.90	42,943,578	2,342,754,936

It is clear from the above table that it is extremely difficult to estimate the level of provisions when actual outcomes are extremely volatile.

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Safety & Security	188	From TASK Grade 04-14	From Grade 6 to Grade 16	New Wage Curve as per TASK final outcomes report
Budget & Treasury	105	From TASK Grade 04-15	From Grade 6 to Grade 17	New Wage Curve as per TASK final outcomes report

<b>Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation</b>				
<b>Occupation</b>	<b>Number of employees</b>	<b>Job evaluation level</b>	<b>Remuneration level</b>	<b>Reason for deviation</b>
Corporate Services	68	From TASK Grade 02-15	From Grade 4 to Grade 17	New Wage Curve as per TASK final outcomes report
Economic Development and Recreation Services	15	From TASK Grade 02-11	From Grade 5 to Grade 15	New Wage Curve as per TASK final outcomes report
Human Settlements	77	From TASK Grade 03-16	From Grade 6 to Grade 16	New Wage Curve as per TASK final outcomes report
Infrastructure and Engineering	45	From TASK Grade 02-14	From Grade 6 to Grade 16	New Wage Curve as per TASK final outcomes report
Electricity and Energy	19	From TASK Grade 02-19	From Grade 4 to Grade 19	New Wage Curve as per TASK final outcomes report
Public Health	28	From TASK Grade 02-11	From Grade 5 to Grade 14	New Wage Curve as per TASK final outcomes report
Executive Mayor's Office	14	From TASK Grade 05-12	From Grade 10 to Grade 19	New Wage Curve as per TASK final outcomes report
COO	16	From TASK Grade 05-15	From Grade 9 (R200 208) to Grade 37 (R515 808)	New Wage Curve as per TASK final outcomes report
<b>TOTAL</b>	<b>575</b>			

### **Employees appointed to posts not approved**

The approval of the "As Is" structure by Council in April 2016 incorporated all employees who had previously not been on the Council approved structure. There are therefore no employees in this category currently, as far as is known.

**COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:**

No employees have been upgraded in the 2015/16 financial year, as no job evaluations whatsoever have been undertaken in the institution since TASK was implemented in 2013/14.

# CHAPTER 5

## FINANCIAL PERFORMANCE

### INTRODUCTION

It is quite challenging to contain inflationary pressures as a number of key cost drivers are influenced and determined by external organisations. Bulk electricity price increases are determined by the National Energy Regulator of South Africa, bulk water price increases are determined by the Department of Water Affairs, and salary increases are influenced by negotiations through the South African Local Government Bargaining Council.

In order to contain certain costs, the Municipality implemented an Operational Efficiency Work plan so as to embed efficiency into its operations. On 23 May 2014, the Council approved the cost containment measures as prescribed by National Treasury. Again in March 2016 National Treasury issued a Cost Containment Circular (Number 82) which was aimed at the municipalities across the country. Budget and Treasury prepared a combined Operational Efficiency Work Plan taking into account additional issues raised in terms of the Cost Containment Circular from National Treasury. The combined document was tabled to EXCO for comments and the Circular was incorporated into the Budget Report that was tabled to Council in late May 2016. EXCO resolved that the COO's office prepare monitoring tools Operational Efficiencies Work Plan, and that is what the COO's office is busy with.

The City Manager has also issued "in writing" a communication relating to the delegation to all Executive Directors to monitor the Implementation of Operational Efficiency Work Plan (Cost Containment Measures). Based on this communication Executive Directors are the responsible for approving any expenditure incurred against items that are listed under the Operational Efficiency Work Plan. The delegations thereof mean that there is a responsibility for reporting by Directorates; be it to EXCO or to the respective Portfolio Committees etc.



## **COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE**

### **INTRODUCTION TO FINANCIAL STATEMENTS**

In order to provide an overview of the key successes and outcomes for the 2015/16 financial year, it is necessary to compare the 2015/16 Adjustments Budget, the actual financial results, the actual cash inflows and outflows, and the actual expenditure and revenue trends for the period, July 2015 to June 2016.

The financial performance highlights, based on the audited results, are as follows:

#### **Financial Performance:**

Actual operating revenue amounted to R8.78 billion, whilst actual operating expenditure amounted to R8.78 billion, resulting in an operating surplus of R5.66 million. The 2014/15 Adjustments Budget for operating revenue amounted to R8.39 billion, whilst operating expenditure amounted to R9.32 billion, resulting in a budgeted surplus of R67.33 million. The operating surplus achieved, indicates that the Municipality performed worse than anticipated in the 2015/16 Adjustments Budget.

The following, however, needs to be noted:

The operating revenue for Property Rates and Service Charges was lower than anticipated in the 2015/16 Adjustments Budget, due to the following factors:

#### Property Rates

Property rates revenue raised, amounted to R1.519 billion, compared to the Adjustments budgeted amount of R1.570 billion. It is, however, important to note that the revenue raised has been reduced by an amount of approximately R77.549 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Property Rates Revenue raised was approximately R26.551 million more than anticipated.

### Service charges – Electricity Revenue

Electricity revenue raised, amount to R3.464 billion, compared to the Adjustments budgeted amount of R3.519 billion. It is, however, important to note that revenue raised has been reduced by an amount of approximately R41,181 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Electricity Revenue raised was approximately R14.334 million less than anticipated. Although the actual electricity consumption increased as evidenced by the 1.64% more units purchased from ESKOM than what was anticipated in the 2016/17 Adjustments Budget, the increase in electricity losses from approximately 12.29% in 2014/15 to 12.68% in 2015/16 clearly reflect why Bulk purchases was overspent and Electricity Sales billed was lower than anticipated.

### Service charges – Water Revenue

Water revenue raised, amounted to R660.22 million, compared to the Adjustments budgeted amount of R639.699 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R103,168 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Water Revenue raised was approximately R123.70 million more than anticipated. This is attributable to actual water consumption patterns being higher than anticipated. It is however also attributable to adjustments made due to certain non-residential Customers water meters such as the Kouga Municipality whose Water meters had been estimated for a long period of time resulting in huge bills being rendered to such customers as the actual readings differ substantially with estimated readings. The impact of this is that under estimations (also no readings) resulted in water not being billed to the extent it should have been, effectively creating an understatement of the water revenue. Also due to this poor practice of estimations the water losses of Council has been overstated for a number of years.

### Service charges – Sanitation Revenue

Sanitation revenue raised, amounted to R377.42 million, compared to the Adjustments budgeted amount of R451.738 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R91,639 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Sanitation Revenue raised was approximately R17.222 million more than anticipated. This is attributable to actual water consumption patterns being higher than anticipated.

### Service charges – Refuse Revenue

Refuse revenue raised, amounted to R144.59 million, compared to the Adjustments budgeted amount of R225.664 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R79,605 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Refuse Revenue raised was approximately R1.466 million less than anticipated.

### **Property Rates and Services Revenue:**

The treatment of ATTP subsidies as revenue foregone, has resulted in actual revenue being lower than anticipated. The revenue for property rates, electricity, water, sanitation and refuse were respectively R50.998 million, R55.515 million,( 20.534 million), R74.417 million and R81.072 million lower / (higher) than the Adjustments budgeted amounts.

<b>Property Rates and Services</b>	<b>2015/16 Adjustments Budget (Incl ATTP Subsidies)</b>	<b>2015/16 Actuals (Excl ATTP Subsidies) as per AFS</b>	<b>Total</b>	<b>ATTP Subsidies</b>	<b>Variance</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>Property Rates</b>	1,570,445,280	1,519,447,232	<b>(50,998,048)</b>	77,549,251	26,551,203
<b>Electricity</b>	3,519,221,730	3,463,707,137	<b>(55,514,593)</b>	41,180,561	(14,334,032)
<b>Water</b>	639,699,040	660,233,228	<b>20,534,188</b>	103,167,884	123702072
<b>Sanitation</b>	451,837,720	377,421,012	<b>(74,416,708)</b>	91,639,030	17,222,322
<b>Refuse</b>	225,663,780	144,592,019	<b>(81,071,761)</b>	79,605,291	(1,466,470)
<b>Total</b>	<b>6,406,867,550</b>	<b>6,165,400,628</b>	<b>(241,466,922)</b>	<b>393,142,017</b>	<b>151,675,095</b>

Rental of facilities and equipment:

The revenue amounted to R20.72 million, compared to the adjustments budgeted amount of R23.40 million. This means that an amount of R2.68 million was not charged and/or collected. It is evident that strategies to increase this revenue source have not been effective.

In order to enhance the income derived from this revenue source market related rentals should be charged relating to all Council's properties. An investigation should be undertaken to determine the revenue potential of this source, including the factors that are impeding this revenue source from achieving its full potential.

Fines:

Fines Revenue

This revenue source as per the Consolidated Annual Financial Statements had an actual received of R223.580 million compared to the 2015/16 Adjustments budget estimate of R226, 837. However it is not reflecting the cash that was collected.

Due to GRAP being applied in respect of Traffic Fines revenue, The municipality must in its financial records disclose the value of fines issued. Therefore, when analyzing the traffic fines revenue of R221.770 million one must also analyse it against the Impairment of fines as disclosed under the Financial Performance line item Impairment – Other in the amount of R154.403 million. The remaining balance would then consist of cash collected and traffic fines issued that is still regarded as recoverable.

Transfer recognised – operational:

The revenue amounted to R1.149 billion, compared to the Adjustment budgeted amount of R1.515 billion. This means that R366.43 million or 24.18% of the transfers could not be recognised as revenue.

*The following accounts for the performance of grants and explains the variance:*

DORA Operating Grants:

**1. Expanded Public Works Programme (EPWP)**

This grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery.

DORA Allocation:	R8 664 000
Amount of Grant Received:	R8 664 000
Expenditure to date:	R8 664 000
<b>Unspent as at 30 June 2016</b>	<b>R           0</b>

As at 30 June 2016, the DORA allocation was fully spent.

**2. Public Transport Networks Operations**

This grant is to provide supplementary operational funding in order to operationalize the IPTS project within NMBM.

DORA Allocation:	R150 000 000
Amount of Grant Received:	R150 000 000
Expenditure to date:	R 26 385 789

**Unspent as at 30 June 2016: R123 614 211**

As at 30 June 2016, only 17.59% of the DORA allocation was spent.

Roll-over application to National Treasury has been submitted on the 31 August 2016 for the 2015/16 unspent conditional grant which amounted to R123 614 211.

National Treasury has only approved R93.1 million of the roll-over application. The rejected amount of R56.4 million is due to MFMA circulars 75 and 79 requiring that at least 50 per cent of the allocation per programme must be spent.

The approval of R93.1 million is for the following projects:

- PTNG: Planning, Systems Planning, Business and Financial Modeling Industry Transition (Negotiation and Compensation);
- PTNG: Infrastructure, Preventative maintenance;
- PTNG: Equipment and Systems Supply;
- PTNG: Operational Readiness Related Cost; and
- PTNG: Communication and Marketing;

### **3. Infrastructure Skills Development**

- a) This grant is to strengthen capacity of local government, to effectively and efficiently deliver quality infrastructure, by increasing the pool of skills.

DORA Allocation: R9 000 000

Amount of Grant Received: R9 000 000

Expenditure to date: R8 423 068

**Unspent as at 30 June 2016: R 576 932**

As at 30 June 2016, 93.59% of the DORA allocation was spent.

The National Treasury letter, "Application for roll over of unspent conditional grants for the 2015/16 financial year", dated 7 October 2016 refers. The application for roll over was not approved due to the municipality not

submitting supporting documents as evidence to prove that funds are committed.

b) Grant rolled over from 2014/15, included in the 2015/16 Adjustments Budget

DORA roll-over approved:	R248 644
Expenditure to date:	R248 644
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

The approved rolled-over grant was fully spent, as at 30 June 2016

#### 4. Integrated City Development Grant

This grant is to provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.

DORA Allocation:	R5 708 000
Amount of Grant Received:	R5 708 000
Expenditure to date:	R3 985 226
<b>Unspent as at 30 June 2016:</b>	<b>R1 722 774</b>

As at 30 June 2016, 69.82% of the DORA allocation was spent.

The National Treasury letter, "Application for roll over of unspent conditional grants for the 2015/16 financial year", dated 7 October 2016 refers. The application for roll over was approved.

#### 5. Finance Management Grant

This grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R1 050 000
Amount of Grant Received:	R1 050 000
Expenditure to date:	R1 050 000
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

As at 30 June 2016, the DORA allocation was fully spent.

## 6. Human Settlements Development Grant

This grant is to provide funding to create sustainable human settlements that enable an improved quality of household life, improved access, integration and settlements

Unspent as at 30 June 2015	R 9 752 718
Amount of Grant Received:	R 220 761 020
Debtors raised	R 236,426,726
Reversal of prior year accrual	(R236 016 565)
Expenditure to date:	R 222 854,482
<b>Unspent as at 30 June 2016:</b>	<b>R 8 069 417</b>

As at 30 June 2016, 96.6% of the Grant was spent. As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2015/16 financial year

As at financial year-end a Debtor was raised in the amount of R236,426,726 for outstanding claims to be paid by Provincial Treasury for Top Structures that are built by the municipality based on an Agency Agreement Basis. As at 30 June 2016 the Municipality was bridge-funding this project be approximately R177 million. This has an impact on the municipalities' cash flows as well as the investment portfolio resulting in less interest revenue earned and / or not funding critical projects that could enhance the revenue base of the municipality.

## 7. Municipality Human Settlements Capacity Grant

This grant is to provide funding to ensure effective management of human settlements programmes at the local government level in line with the accreditation framework.

<b>Unspent as at 30 June 2015:</b>	<b>R 23 235 275</b>
DORA Allocation:	R 9 847 000
Amount of Grant Received:	R 9 847 000
Expenditure to date:	R 28,053,871



**Unspent as at 30 June 2016: R 5,028,404**

As at 30 June 2016, 84.8% of the DORA allocation was spent.

**The roll-over request submitted to National Treasury for the unspent amount was not approved.**

## **8. Urban Settlements Development Grant**

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation:	R22 924 967
Amount of Grant Received:	R22 924 967
Expenditure to date:	R22 924 967
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

As at 30 June 2016, the DORA allocation was fully spent.

## **Other Operating Grants**

### **1. Off-Grid Electrification**

This grant is used for the socio-economic development of previously disadvantaged communities through household and institutional electrification of associated community value-added facilities

<b>Unspent as at 30 June 2015:</b>	<b>R 22 000 000</b>
Expenditure to date:	R 20 788 107
<b>Unspent as at 30 June 2016:</b>	<b>R 1 211 893</b>

As at 30 June 2015, 94.49% of the allocation was spent.

As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2016/17 financial year.

## 2. Provincial Department of Human Settlements: Accreditation Grant

This grant is for capacity building of level 3 accreditation in the preparation of NMBM in Human Settlement matters

**Unspent as at 30 June 2015:** **R 13 973 784**

Expenditure to date: R 5 833 027

**Unspent as at 30 June 2016:** **R 8 140 757**

As at 30 June 2016, 41.7% of the allocation was spent.

As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2016/17 financial year.

## 3. European Union Grant (3<sup>rd</sup> Tranche)

This grant is to contribute to the improvement of the quality of life of marginalized people in urban areas within the framework of the SA Government's Urban Renewal Programme.

**Unspent as at 30 June 2015:** **R10 366 174**

Expenditure to date: R 1 469 983

**Unspent as at 30 June 2016:** **R 8 896 191**

The spending incurred against the unspent 2014/15 European Union Grant amounted to 14.2%, as at 30 June 2016. Spending against this grant was again very low.

## 4. National Lotteries

This grant is used to fund Arts and Culture Programmes

**Unspent as at 30 June 2015:** **R 4 863 245**

Expenditure to date: R 3 113 208

**Unspent as at 30 June 2016:** **R 1 750 037**

The spending incurred against the unspent 2013/14 National Lotteries grant amounted to 64.0%, as at 30 June 2016.

## 5. Smart Grid Initiative

This grant is used to develop innovative, interactive and improved technological solutions to deal with revenue enhancement.

**Unspent as at 30 June 2015:** **R 1 809 900**

Amount of Grant Received: R 10 500 000

Debtors raised R 2 250 000

Expenditure to date: R 13 848 064

**Unspent as at 30 June 2016:** **R 711 836**

As at 30 June 2016 95.1% of the DORA allocation was spent.

As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2016/17 financial year.

### Interest Earned – External Investments:

Interest earned – External investments were R31.53 million higher than anticipated in the 2015/16 Adjustments Budget, mainly due to slightly higher interest rates being available for investment purposes. Interest earnings are also influenced by the extent of the municipality's investment portfolio throughout the financial year. The interest earned could, however, have been significantly higher, if it was not for the bridge-funding of housing projects in the amount of approximately R180 million. Management focus should be to reduce the bridge-funding to approximately R100 million over the short term, as it impacts significantly on the cash position of the Municipality.

### Interest Earned – Outstanding Debtors:

Interest earned – Outstanding debtors amounted to R1.81 million more than the adjustments budgeted amount of R104.52 million.

Interest is also influenced by the extent of outstanding debtors. The interest raised on outstanding debtors may not necessarily result in a cash inflow for the Municipality.

### Licences and Permits:

The revenue earned from Drivers Licence Card Conversions amounted to R7.84 million, representing only 78.7% of the 2015/16 Adjustments Budget of R9.96 million. The Revenue earned in the 2015/16 financial year in the amount of R7,838,151.99 is lower than was earned in the 2014/15 financial year (R7,857,445.98). The Safety and Security Directorate has indicated that the following, resulted in the actual revenue being below the required level:

- Legislation does not specify where card conversions must take place, with such services also provided by neighbouring municipalities.

However, strategies should be put in place to ensure that NMBM residents view NMBM as the preferred services provider.

### Other revenue:

Other revenue was R31.93 million lower than anticipated in the 2015/16 Adjustments budget mainly due to the following:

Item description	2015/16 Adjustments Budget R	2015/16 Actual R	Variance R
VAT Government Grants – Capital	138,064,070	108,505,642	29,558,428
Pail Service	37,463,120	0	37,463,120
Sundry Income	3,366,610	25,213,073	(21,846,463)
DPC Revenue	53,000,000	43,971,951	9,028,049
GRAP 23 Revenue	0	32,008,051	(32,008,051)
Trade Effluent Charges	40,569,000	22,410,532	18,158,468
Insurance Claims	1,439,150	7,523,919	(6,084,769)
<b>TOTAL</b>	<b>273,901,950</b>	<b>239,633,168</b>	<b>34,268,782</b>

**The Operating Expenditure was lower than anticipated in the 2015/16 Adjustments Budget, due to the following factors:**

Employee related costs:

Actual expenditure was R2.343 billion, compared to the Adjustments budgeted amount of R2.260 billion, resulting in over spending of R82.33 million. The relative over spending is mainly attributable to the following line items as indicated in the table below.

<b>Item description</b>	<b>2015/16 Adjustments Budget R</b>	<b>2015/16 Actual R</b>	<b>Variance  R</b>
Provision for Critical Vacancies	12,000,000	0	12,000,000
Provision for Leave Pay	12,841,140	42,943,578	(30,102,438)
Contractual Staff Appointments - Other	88,077,290	70,422,300	17,654,990
Pension Fund Contributions	236,157,460	213,233,104	22,924,356
Post Retirement Benefits Provision	52,053,550	163,329,019	(111,275,469)
Standby Allowance	13,117,750	2,164,855	10,952,895
Overtime	102,393,500	134,053,923	(31,660,423)
Annual Bonus	107,202,330	100,834,217	6,368,113
Medical Aid Contributions	138,934,340	133,430,300	5,504,040
Travel Allowance – Business Kilometers	57,512,940	49,759,902	7,753,038
Performance Bonus – Section 57	2,478,940	(1,691,868)	4,170,808
Temporary Assistance	4,802,030	504,810	4,297,220
<b>TOTAL</b>	<b>827,571,270</b>	<b>908,984,140</b>	<b>(81,412,870)</b>

Interest Expense – External Borrowings:

The interest expense is in line with the Municipality's loan repayment obligations.

Debt impairment:

Bad debts are written off upon Council's approval. Debt impairment was R241.11 million more than anticipated in the 2015/16 Adjustments Budget.

Bulk purchases:

The actual bulk purchases of electricity exceeded the 2015/16 Adjustments Budget, due to a 1.64% increase in the units purchased, compared to the 2014/15 financial year. This resulted in the electricity bulk purchases budget provision being increased in the 2015/16 Adjustments Budget by R64.446 million from R2.638 billion to R2.703 billion.

Repairs and Maintenance:

The repairs and maintenance of assets are undertaken on an ongoing basis.

Below is an analysis of actual repairs and maintenance expenditure by Directorate, compared to the 2015/16 Adjustments Budget.

<b>Directorate</b>	<b>Adjustments Budget R</b>	<b>2015/16 Actual R</b>	<b>% of Adjustments Budget</b>
Budget & Treasury	523,580	53,583	10.23
Public Health	8,376,450	4,487,447	53.57
Human Settlements	2,117,430	1,445,122	68.25
Economic Development , Tourism and Agriculture	2,240,680	2,082,859	92.96
Sports, Recreation, Arts and Culture	21,020,190	16,979,625	80.78
Corporate Services	19,836,040	18,042,895	90.96
Rate and General: Infrastructure & Engineering	130,220,880	119,818,722	92.01
Water Services	128,760,800	79,119,049	61.45
Sanitation Services	127,984,490	108,453,829	84.74
Electricity and Energy	54,070,420	45,131,448	83.47
Executive and Council	11,149,110	629,431	5.65
Safety and Security	8,698,860	12,656,347	145.49
Strategic Programmes Directorate	144,160	6,061	4.20
<b>Total</b>	<b>515,143,090</b>	<b>408,906,418</b>	<b>79.38</b>

Repairs and maintenance was therefore underspent by an amount of R106.237 million, compared to the 2015/16 Adjustments Budget due to the following:

Item description	2015/16 Adjustments Budget R	2015/16 Actual R	Variance R
Pipelines	67,333,810	30,253,168	37,080,642
Contractor Roadwork	15,102,890	4,912,343	10,190,547
Plant and Machinery	46,682,430	39,128,121	7,554,309
Sewers and Outfalls	77,846,610	72,882,055	4,964,555
Buildings - External	10,484,270	1,952,526	8,531,744
Repair of School Water Leaks	7,248,000	(96,211)	7,344,211
Pump Sump Cleaning and Tanker Service	9,094,220	5,824,725	3,269,495
GIS Software Maintenance Agreement	3,624,400	0	3,624,400
Special Drain Cleaning	12,322,170	10,145,765	2,176,405
<b>TOTAL</b>	<b>249,738,800</b>	<b>165,002,492</b>	<b>84,736,308</b>

Depreciation and asset impairment:

Description	2015/16 Original Budget	2015/16 Adjustments Budget	2015/16 Actual	2014/15 Actual
Depreciation	873,746,470	860,250,280	799,830,202	868,362,629
<b>Asset Impairment</b>				
Land and buildings			59,517,518	1,638,737
Moveable assets			24,233	733,243
Traffic Fines		190,996,140	154,403,489	31,144,372
Housing Debtors			81,168,189	0
<b>Depreciation and Asset impairment</b>	<b>873,746,470</b>	<b>1,051,246,420</b>	<b>1,094,943,631</b>	<b>901,878,981</b>

Actual expenditure relating to depreciation and asset impairment was R1.095 billion, compared to the Adjustments budgeted amount of R860.25 million, resulting in an overspending of R43.697 million. The expenditure was higher than anticipated, mainly due to a lower than anticipated impairment of traffic fines and the impairment in respect of Housing Debtors. The Housing Debtors represent expenditure that had

been incurred on housing projects that appears to be outside the approved contract terms as negotiated and therefore had not been approved by Provincial Government. It is considered non-recoverable from Provincial Government and therefore is required to be impaired.

Transfers and grants:

Actual expenditure was R24.82 million, compared to the adjustments budgeted amount of R420.24 million, resulting in an under spending of R400.71 million. The under spending is attributable to ATTP subsidies being treated as revenue foregone. The Grants to indigent consumers (ATTP) was R393,142 million, compared to the Adjustments budgeted amount of R392,251 million. In terms of GRAP, the transfers and grants related to the Indigent or ATTP consumers must be regarded as revenue foregone. Please refer also to the paragraphs dealing with Property Rates and Service Charges above. Therefore the variance of R395.419 million as reflected on the Consolidated Statement of Financial Performance is effectively only R3.168 million.

Contracted Services:

The over spending on Contracted Services, in the amount of R32.034 million, is attributable to the higher than anticipated spending on various expenditure items. The following table reflects the items in question:

Item description	2015/16 Adjustments Budget R	20105/16 Actual R	Under/(Over) spending R
Transport Operations	61,430,000	11,359,025	50,070,975
Unauthorised Expenditure – no budget	20,540	43,398,480	(43,377,940)
Stadium Operational Cost	50,117,210	59,913,212	(9,796,002)
Community Based Contractors	17,780,300	7,527,413	10,252,887
Maintenance of Buildings and Facilities	2,409,430	6,057,995	(3,648,565)
Electrical	28,179,360	12,914,316	15,265,044
Business and Advisory - Project	1,500,000	27,002,441	(25,502,441)
Business and Advisory – Research & Advisory	2,925,090	10,335,471	(7,410,381)
Business and Advisory – Accountants &	10,636,630	8,145,729	2,490,901



Item description	2015/16 Adjustments Budget R	20105/16 Actual R	Under/(Over) spending R
Auditors			
Administrative and Support Staff	24,417,390	19,125,757	5,291,633
Legal Cost – Legal Advice and Litigation	17,503,500	42,482,867	(24,979,367)
Contract Security	95,035,100	103,347,980	(8,312,880)
Grass Cutting Contracts	21,097,560	16,736,939	4,360,621
Meter Reading Contractors	12,468,220	9,883,315	2,584,905
Printing of Billing Account Statements	3,306,410	0	3,306,410
<b>TOTAL</b>	<b>348,826,740</b>	<b>378,230,940</b>	<b>29,404,200</b>

General expenses:

The under spending on General Expenditure, in the amount of R446.211 million, is attributable to the lower than anticipated spending on various expenditure items. The following table reflects the items in question:

Item description	2015/16 Adjustments Budget R	2015/16 Actual R	Under / (over) spending R
Top Structures for Houses	410,905,000	213,074,005	197,830,995
Public Liability	3,253,860	15,641,987	(12,388,127)
Skills Development Fund Levy	5,317,240	16,298,310	(10,981,070)
PPE-Purchases	0	(104,965,213)	104,965,213
Legal Expenses	13,117,180	1,591,782	11,525,398
Equipment and Machinery	28,035,930	43,640,712	(15,604,782)
Chemicals	60,587,260	70,585,590	(9,998,330)
Petrol, Diesel and Paraffin	73,033,880	49,621,279	23,412,601
Consultants fees	67,112,480	5,231,244	61,881,236
Construction of Toilets	45,015,220	23,101,021	21,914,199
Special Energy Program	17,380,000	21,860,567	(4,480,567)
Litter Picking Project	17,860,040	22,181,346	(4,321,306)
Workmens Compensation Pensions	0	3,056,525	(3,056,525)
System Development	9,381,050	113,139	9,267,911
Revenue Enhancement	8,000,000	0	8,000,000
Electricity - External	37,697,330	30,898,242	6,799,088

Item description	2015/16 Adjustments Budget R	2015/16 Actual R	Under / (over) spending R
Rental - External	6,371,440	1,524,349	4,847,091
Rental of Office Equipment	11,953,100	7,676,999	4,276,101
EU Funded Projects	7,480,840	1,494,976	5,985,864
Operating Levies Projects	38,697,850	29,676,529	9,021,321
Legal Costs - Attorneys	24,264,470	(6,130)	24,270,600
<b>TOTAL</b>	<b>885,464,170</b>	<b>452,297,259</b>	<b>433,166,911</b>

### Conclusion:

In the 2014/15 Annual report it was stated that the Municipality recorded an operating deficit of R12.75 million. However, the restated 2014/15 Annual Financial Statements now discloses an operating deficit in the amount of R22,454,834. One-off revenues in the amount of R122.9 million, as reflected below assisted in decreasing the operating deficit:

- NMB Stadium settlement – R76.8 million
- Billing system settlement – R46.1 million

Upon exclusion of the aforementioned one-off revenues, a deficit of R145.4million was in fact achieved.

The Municipality recorded an operating surplus of R5.66 million for the 2015/16 financial year. When compared to the 2014/15 financial year the 2015/16 financial year was operationally an improved performance.

## **Financial performance by Vote**

### **Revenue as per Appendix K.1**

#### **Vote 1: Budget and Treasury**

Net operating expenditure improved to R1.93 billion compared to the adjustments budgeted amount of R1.84 Billion. This is attributable to the following:

##### Property Rates

Property rates revenue raised, amounted to R1.519 billion, compared to the Adjustments budgeted amount of R1.570 billion. It is, however, important to note that the revenue raised has been reduced by an amount of approximately R77.549 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Property Rates Revenue raised was approximately R26.551 million more than anticipated.

##### Interest earned – External Investments

Interest earned – External Investments were R31.36 million higher than anticipated in the 2015/16 Adjustments Budget, mainly due to slightly higher interest rates being available for investment purposes as well as a higher level of unspent conditional grant funding. Interest earnings are also influenced by the extent of the municipality's investment portfolio throughout the financial year. The interest earned could, however, have been significantly higher, if it was not for the bridge-funding of housing projects in the amount of approximately R177 million. Management focus should be to reduce the bridge-funding to below R100 million over the short term, as it impacts significantly on the cash position of the municipality.

### Other Income

Other Income was R187.60 million more than anticipated in the 2015/16 Adjustments Budget.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
Fuel Levy	328,713,170	360,090,755	31,377,585
GRAP 23 Revenue	0	32,008,051	32,008,051
Sundry Income	1,317,300	22,132,292	20,814,992
VAT: Government Grants - Capital	0	104,145,992	104,145,992

Fuel levy income in the amount of R31.38 million was not allocated to other directorates, due to lower actual costs incurred by the relevant directorates in respect of fuel levy funded expenditure. This does not imply additional revenue for the NMBM. Furthermore VAT on capital grants required to be recognised as own revenue once claimed from SARS and amounted to R104.15 million.

### Operating expenditure matters:

#### Employee related costs

Employee related costs were R122.98 million more than anticipated in the 2015/16 Adjustments Budget.

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) / Under Expenditure
Post-Retirement Benefits Provision	7,265,390	123,638,787	(116,373,397)
Provision for Leave Pay	10,435,120	30,665,841	(20,230,721)
Contractual Staff Appointments - Other	5,377,410	2,623,649	2,753,761

This is mainly attributable to adjusting the level of the provision for Post-Retirement Benefits by R116.37 million. The adjustment to the provision for leave pay was R20.23 million more than anticipated in the 2015/16 Adjustments Budget.

### Impairment – Receivables

Impairment – Receivables was R60.07 million more than anticipated in the 2015/16 Adjustments Budget. The increase is due to more doubtful debt written-off than anticipated. The debtors' collection rate for 2014/15 was 91.4%, compared to the budgeted debtors' collection rate of 94%.

Grants and Subsidies Paid was R74.37 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited Consolidated Annual Financial Statements has not acknowledge approximately R77.55 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying Indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that are being verified on a continuous basis. The costs were not charged against Grants and Subsidies Paid, but was off-set against the Property Rates revenue as Revenue.

### Contracted Services

Contracted Services was R20.10 million more than anticipated mainly due to the following:-

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) / Under Expenditure
Business and Advisory – Project Manager	0	15,299,266	(15,299,266)
Consultants – Legal costs	0	14,681,619	(14,681,619)
Meter Reading Contractors	12,468,220	9,883,315	2,584,905
Printing of Billing Accounts	3,306,410	0	3,306,410
Contractors: Assistance to the Poor	1,965,410	0	1,965,410
Maintenance of Buildings and Facilities	1,681,920	680,895	1,001,025

### General Expenses

General Expenses were R49.79 million less than anticipated due to the following: -

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / Under Expenditure</b>
Revenue Enhancement	8,000,000	0	8,000,000
Provision for Litigation Claims	0	(2,320,286)	2,320,286
Legal Costs( Sum of Attorneys)	24,264,470	(6,130)	24,270,600
Office Stationery	2,386,050	1,312,092	1,073,958
Marketing and Advertising	1,274,310	473,808	800,502
Postage and Revenue Stamps	9,137,410	8,226,083	911,327
Petrol, Diesel and Paraffin	1,455,020	743,735	711,285
Buildings Rental	9,183,250	8,025,755	1,157,495
Agency Fees for External Collection Agents	4,433,190	2,731,728	1,701,462
Computer Equipment	1,210,540	315,078	895,462
Financial Systems Blue Print	0	-880,000	880,000
Training	1,977,760	1,049,770	927,990
SCM (ISO 9001)	2,000,000	1,257,755	742,245
Workmens Compensation Pensions	0	3,056,525	(3,056,525)

### **Vote 2: Public Health**

#### **Revenue:**

#### Refuse revenue

Refuse revenue raised, amounted to R144.59 million, compared to the Adjustments budgeted amount of R225.664 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R79.605 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Refuse Revenue raised was approximately R1.466 million less than anticipated.

Other income

Other income R2.62 million more than anticipated in the 2015/16 Adjustments Budget. This is attributable due to:

Description	2015/16 Adjustments Budget	2015/16 Actual	Over / (under) revenue
Trade Refuse: Dust Bins and Black bags	4,556,790	4,965,474	408,684
Servicing Container: 1.1m Sprico	5,459,900	6,269,520	809,620
Sales of Plots and Burial of Ashes - Total	8,387,930	9,496,764	1,108,834

Government Grants and Subsidies

Government Grants and Subsidies was R3.21 million less than anticipated in the 2015/16 Adjustments Budget. This is attributable due to:

Description	2015/16 Adjustments Budget	2015/16 Actual	Over / (under) revenue
Provincial – Sports and Recreation	5,444,560	0	(5,444,560)
Provincial Health Grant	0	3,333,875	3,333,875
EU Funding – 3 <sup>rd</sup> Tranche	2,765,000	713,876	(2,051,124)
E-Share ATTP	92,130,570	93,263,291	1.152,721

**Operating Expenditure matters:**Employee related costs

Employee related costs were R5,57 million less than anticipated in the 2015/16 Adjustments Budget. This is mainly attributable to the following:-

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / Under Expenditure</b>
Pension Fund Contributions	36,439,610	30,514,574	(5,925,036)
Overtime	15,507,600	21,158,581	5,650,981
Basic Remuneration	176,054,160	174,098,530	(1,955,630)
Temporary Assistance	2,153,690	376,254	(1,777,436)
Annual Bonus	16,365,400	15,165,245	(1,200,155)
Medical Aid Contributions	21,152,160	19,861,307	(1,290,853)
Travel Allowance – Business Kilometers	6,915,020	6,021,219	(893,741)
Provision for Leave Pay	349,130	3,307,537	2,958,407

### Impairment – Receivables

Impairment – Receivables was R27.66 million more than anticipated in the 2015/16 Adjustments Budget due to the write-off of doubtful debts in the amount of R17.12 million. The debtors' collection rate for 2015/16 was 91.40%, compared to the budgeted debtors' collection rate of 94%.

### Grants and Subsidies Paid

Grants and Subsidies Paid was R78.45 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements has not acknowledge approximately R79.61 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### Contracted Services

Contracted Services was R21.98 million less than anticipated mainly due to the following:-



<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / Under Expenditure</b>
Electrical	24,251,560	10,379,741	13,871,819
Community Based Contractors	17,780,300	7,527,413	10,252,887
Contract Security	8,900,620	10,595,512	(1,694,892)

### Depreciation

Depreciation was R47.77 million more than anticipated.

### General Expenses

General Expenses were R2.10 million more than anticipated due to the following: -

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Fleet management Services – Vehicles	50,510,560	46,282,624	4,227,936
Petrol, Oil and Paraffin	26,000,480	16,205,491	9,794,989
Equipment and machinery	1,901,250	12,130,546	(10,229,296)
Litter Picking Project	17,860,040	22,181,346	(4,321,306)
Unauthorised Expenditure	0	2,406,053	(2,406,053)
Transfer Stations	1,109,370	3,835,431	(2,726,061)
Public Liability	1,328,000	11,292,063	(9,964,063)
EU Ward Based Cleaning and Greening (MURP)	2,765,000	743,352	2,022,648
Uniforms and Protective Clothing	2,181,440	1,651,915	529,525
Special Vehicles	4,024,460	2,230,305	1,794,155
Training	951,190	464,484	486,706
Legal Expenses	1,383,050	974,540	408,510
Locomotion Casual	624,150	182,532	441,618
Consultants Fees	2,198,180	1,560,500	636,680
Chemical Toilets	713,200	8,400	704,800
Communication Equipment and Telephones	1,089,690	632,176	457,514

### Vote 3: Human Settlements

#### Revenue:

**Government Grants and subsidies** was approximately R220.93 million less than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
Top Structures Funded	410,905,000	222,854,482	188,050,518
Sewerage funding from USDG	45,015,220	22,924,967	22,090,253
Municipal Human Settlements Capacity Grant	45,213,860	33,407,089	11,806,771

Please note that revenue can only be recognised once the conditions of the grant have been met. Funds received for which the conditions has not been met will be disclosed under unspent conditional grants which will either have to be paid back into the National Revenue Fund or will received an approval from National Treasury to be rolled over to the next financial year based on a successful fully motivated application to National Treasury to allow roll-over of funds based on commitments already in place. Please note that National Treasury disallowed R7.8 million in respect of the Human Settlements Capacity Grant to be rolled over from the 2015/16 to the 2016/17 financial year.

#### Other Income

Other Income was approximately R27.42 million lower than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
VAT Government Grants - Capital	410,905,000	222,588,906	188,316,094
VAT Government Grants - Capital	45,015,220	22,924,967	22,090,253
Sales and Admin Fees	1,000,000	88,614	911,386
Land Sales	1,075,180	920	1,074,260

Revenue earned on Sales and Admin Fees as well Land Sales was lower than anticipated. VAT on Government Grants did not materialise due to poor spending in respect of the DORA Grants.

### **Expenditure:**

#### Employee related costs

Employee related costs were approximately R6.55 million lower than anticipated:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / Under Expenditure</b>
Contractual Staff Appointments-Other	23,192,040	20,279,950	2,912,090
Temporary Assistance	1,893,630	709,461	1,184,169
Pension Fund Contributions	15,598,530	14,959,775	638,755

#### Contracted Services

Contracted Services was R45.52 million more than anticipated mainly due to the following:-

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / Under Expenditure</b>
Contract Security	3,775,530	8,349,993	(4,574,463)
Administrative and Support Staff	0	3,134,835	(3,134,835)
Business & Advisory – Research & Admin	228,280	8,902,554	(8,674,274)
Legal Cost – Legal Advice and Litigation	0	18,734,808	(18,734,808)

#### Impairment Other

Impairment Other was R94.72 million more than anticipated due the impairment of Land and Buildings as well as Housing Debtors in the amount of R13.55 million and R81.17 million respectively.

### General Expenses

General Expenses were R267.66 million less than anticipated due to the following: -

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
System Development	9,381,050	113,139	9,267,911
Rental - External	3,966,000	1,479,394	2,486,606
Furniture and Office Equipment	3,352,400	705,411	2,646,989
Maintenance of Buildings and Facilities	4,795,390	366,729	4,600,591
Top Structures for Houses	410,905,000	213,074,005	197,830,995
Unauthorised Expenditure – No Budget	0	(5,327,584)	5,327,584
Construction of Toilets	45,015,220	23,101,021	21,914,199
Legal Expenses	8,833,050	796,577	8,036,473
Consultants Fees	5,593,730	1,486,478	4,107,252

### **Vote 4: Economic Development, Tourism and Agriculture**

#### Other Income

Other Income was approximately R24.20 million less than anticipated.

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>Difference</b>
Fuel Levy	100,120,020	78,879,675	21,240,345
Dues – Agent Sales	17,484,000	15,439,909	2,044,091

Fuel Levy is being allocated to Directorates equal to the amount of spending incurred in respect of Fuel Levy funded projects. The commission earned for produce sales at the Fresh Produce Market was lower than anticipated in the 2015/16 Adjustments Budget.

**Expenditure:**Grants and Subsidies Paid

Grants and Subsidies Paid were approximately R46.50 million lower than anticipated:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) / Under Expenditure
MBDA – Capital Projects Grant	32,618,290	(7,133,297)	39,751,587

R24.46 million was paid to MBDA. An accrual for the remainder in the amount of R8.15 was processed at year-end. However as at 30 June 2016 MBDA handed assets created by MBDA on behalf of NMBM at an approximate cost value of R39.75 million to NMBM. This transaction then resulted in the above outcome.

**Vote 5: Corporate Services****Revenue:**Government Grants and subsidies

Government Grants and subsidies was approximately R6.30 million more than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
Provincial Department Agency: Communication service	0	2,378,019	(2,378,019)
LGWSETA Funding (NDR)	4,500,000	5,986,976	(1,486,976)
GGR Revenue	0	2,822,952	(2,822,952)

Please note that revenue can only be recognised once the conditions of the grant have been met. Funds received for which the conditions has not been met will be disclosed under unspent conditional grants which will either have to be paid back into the National Revenue Fund or will received an approval from National Treasury to be

rolled over to the next financial year based on a successful fully motivated application to National Treasury to allow roll-over of funds based on commitments already in place.

### Other Income

Other Income was approximately R6.10 million lower than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
Fuel Levy	18,958,490	12,906,306	6,052,184

Fuel Levy is being allocated to Directorates equal to the amount of spending incurred in respect of Fuel Levy funded projects.

### **Expenditure:**

#### General Expenses

General Expenses were R121.44 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
PPE – Purchases	0	(101,201,753)	(101,201,753)
HR Information System Support	10,126,780	5,279,734	(4,847,046)
Rental - External	1,814,610	13,231	(1,801,379)
Establish ongoing Welfare & Support Programme	3,149,080	1,982,978	(1,166,102)
Implementation of TASK Job Evaluation	2,500,000	1,966,127	(533,873)
Legal Expenses	1,200,000	(18,261)	(1,218,261)
Training	2,287,970	1,590,605	(697,365)
Personnel Agency Fees	2,163,030	1,226,824	(936,206)
National Treasury Minimal Competency	1,348,320	561,440	(786,880)
Provincial Department Agency: Communication Service	0	2,378,019	2,378,019

## Vote 6: Rate and General Engineers

### Government Grants and subsidies

Government Grants and subsidies was approximately R104,22 million less than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
GGR Revenue	111,691,240	116,709,640	(5,018,400)
Public Transport system Infra Subsidy	131,578,950	22,343,382	109,235,568

Please note that revenue can only be recognised once the conditions of the grant have been met. Funds received for which the conditions has not been met will be disclosed under unspent conditional grants which will either have to be paid back into the National Revenue Fund or will received an approval from National Treasury to be rolled over to the next financial year based on a successful fully motivated application to National Treasury to allow roll-over of funds based on commitments already in place.

### Other Income

Other Income was R35.72 million less than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
VAT: Government Grants - Capital	39,118,800	0	(39,118,800)
VAT: Government Grants - Operating	0	4,042,407	4,042,407

**Expenditure:**Employee related costs

Employee related costs were R7.52 million less than anticipated in the 2015/16 Adjustments Budget. This is mainly attributable the following:-

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / under expenditure</b>
Pension Fund Contributions	20,485,700	17,997,579	2,488,121
Secondment Allowance	1,328,530	308,133	1,020,397
Medical Contributions	12,719,070	11,768,460	950,610
Skills Development Levy	1,533,200	0	1,533,200

Contracted Services

Contracted Services was R52.98 million less than anticipated mainly due to the following:-

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / Under Expenditure</b>
Transport Operators - IPTS	61,430,000	11,359,025	50,070,975
Unauthorised Expenditure – no budget	0	2,041,594	2,041,594
Contract Security	5,967,330	4,637,024	1,330,306

The non-operationalising of the IPTS and the resultant under spending of the Public Transport Network Grant are major contributing factors.



### General expenses

General expenses were R59.30 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Petrol, Diesel and Paraffin	11,924,550	5,756,776	6,167,774
Consultants Fees	55,144,140	1,404,319	53,739,821

The non-operationalising of the IPTS and the resultant under spending of the Public Transport Network Grant are major contributing factors.

### **Vote 7: Water Services**

#### **Revenue:**

#### Water Services revenue

Water revenue raised, amounted to R660.22 million, compared to the Adjustments budgeted amount of R639.699 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R103,168 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Water Revenue raised was approximately R123.70 million more than anticipated. This is attributable to actual water consumption patterns being higher than anticipated. It is however also attributable to adjustments made due to certain non-residential Customers water meters such as the Kouga Municipality whose Water meters had been estimated for a long period of time resulting in huge bills being rendered to such customers as the actual readings differ substantially with estimated readings. The impact of this is that under estimations (also no readings) resulted in water not being billed to the extent it should have been, effectively creating

an understatement of the water revenue. Also due to this poor practice of estimations the water losses of Council has been overstated for a number of years.

#### Government Grants and subsidies

Government Grants and subsidies was approximately R20.36 million more than anticipated.

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>Difference</b>
E-Share - ATTP	88,318,850	112,305,240	(23.986,390)
Department of Education – Repair School Water Leaks	7,248,000	0	7,248,000
GGR Revenue	177,603,280	181,223,657	(3,620,377)

Please note that revenue can only be recognised once the conditions of the grant have been met. Funds received for which the conditions has not been met will be disclosed under unspent conditional grants which will either have to be paid back into the National Revenue Fund or will received an approval from National Treasury to be rolled over to the next financial year based on a successful fully motivated application to National Treasury to allow roll-over of funds based on commitments already in place.

#### Other Income

Other Income was approximately R24.17 million less than anticipated.

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>Difference</b>
VAT: Government Grants - Capital	24,584,460	0	24,584,460

## **Expenditure:**

### Impairment – Receivables

Impairment – Receivables was 115,66 million more than anticipated in the 2015/16 Adjustments Budget due to the write-off of doubtful debts in the amount of R71.07 million. Further, provision for doubtful debts in the amount of R 82.97 million was required against an adjustments budget of R38.38 million. The debtors' collection rate for 2015/16 was 91.40%, compared to the budgeted debtors' collection rate of 94%.

### Depreciation

Depreciation was also R38.05 million less than anticipated.

### Repairs and Maintenance

Repairs and Maintenance were R49.64 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Pipelines	67,333,810	30,253,168	37,080,642
Repairs of School Water Leaks	7,248,000	(96,211)	7,344,211
Roads	1,030,460	234	1,030,226
Buildings	1,794,350	172,980	1,621,370
Plant and Machinery	13,631,360	12,045,194	1,586,166

### Bulk Purchases

Bulk Purchases were R9.24 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to lower than anticipated consumption.

### Grants and Subsidies Paid

Grants and Subsidies Paid was R78.35 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements have not acknowledged approximately R103.17 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### **Vote 8: Sanitation Services**

#### **Revenue:**

#### Sanitation revenue

Sanitation revenue raised, amounted to R377.42 million, compared to the Adjustments budgeted amount of R451.738 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R91,639 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Sanitation Revenue raised was approximately R17.222 million more than anticipated. This is attributable to actual water consumption patterns being higher than anticipated.

### Government Grants and Subsidies

Government Grants and Subsidies were R38.05 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
GGR Revenue	246,800,000	232,413,382	14,386,618
E-Share ATTP	115,302,450	91,639,030	23,663,420

### Other Income

Other Income was R100.66 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
Trade Effluent Charges	40,569,000	22,410,532	18,158,468
Pail Service	37,463,120	0	37,463,120
VAT: Government Grants - Capital	43,644,110	0	43,644,110

### **Expenditure:**

#### Impairment – Receivables

Impairment – Receivables was R41.22 million more than anticipated in the 2015/16 Adjustments Budget due to the write-off of doubtful debts in the amount of R33.48 million. Further, provision for doubtful debts in the amount of R 33.92 million was required against an adjustments budget of R26.18 million. The debtors' collection rate for 2015/16 was 91.40%, compared to the budgeted debtors' collection rate of 94%.

#### Depreciation

Depreciation was also R22.41 million less than anticipated.

### Repairs and maintenance

Repairs and maintenance was R19.53 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Plant and Machinery	28,993,910	23,928,969	5,064,941
Sewers and Outfalls	77,846,610	72,882,055	4,964,555
Pump Sump Cleaning & Tanker Service	9,094,220	5,824,725	3,269,495
Pumps – Daily Inspections	4,274,000	2,334,165	1,939,835

### Grants and Subsidies Paid

Grants and Subsidies Paid was R115.30 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements has not acknowledge approximately R91.64 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### General expenses

General expenses were R11.94 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Petrol, Diesel and Paraffin	7,201,790	5,794,439	1,407,351
Consultants Fees	1,838,830	8,043	1,830,787
Chemical Toilets	1,590,000	0	1,590,000
Fleet Management Services - Vehicles	12,065,490	13,291,518	(1,226,028)

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Locomotion Casual	1,756,890	8,201	1,748,689
Chemicals	3,470,220	2,935,635	534,585
Pail Purchases	952,820	0	952,820
Buildings - Rental	517,650	0	517,650
Tools and Equipment	539,580	(1,612)	541,192

### **Vote 9: Electricity and Energy**

#### **Revenue:**

##### Electricity revenue

Electricity revenue raised, amount to R3.464 billion, compared to the Adjustments budgeted amount of R3.519 billion. It is, however, important to note that revenue raised has been reduced by an amount of approximately R41,181 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Electricity Revenue raised was approximately R14.334 million less than anticipated. Although the actual electricity consumption increased as evidenced by the 1.64% more units purchased from ESKOM than what was anticipated in the 2016/17 Adjustments Budget, the increase in electricity losses from approximately 12.29% in 2014/15 to 12.68% in 2015/16 clearly reflect why Bulk purchases was overspent and Electricity Sales billed was lower than anticipated.

### Government Grants and Subsidies

Government Grants and Subsidies were R7.50 million more than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>Difference</b>
EEDSM Projects	8,771,930	0	8,771,930
Off-Grid Electrification	22,000,000	20,788,107	1,211,893
GGR Revenue	47,140,360	66,214,935	(19,074,575)
E-Share - ATTP	45,779,120	44,748,972	1,030,148
Infrastructure Skills Development Grant	9,157,800	8,594,209	563,591

### **Expenditure:**

#### Employee Related Costs

Employee Related Costs was R5.53 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Overtime	19,758,810	25,981,611	(6,222,801)
Acting Allowance	1,221,830	2,742,149	(1,520,319)
Pension Fund Contributions	23,652,850	21,819,464	1,833,386
Provision for Leave Pay	1,047,140	3,201,512	(2,154,372)
Travel Allowance – Business Kilometers	15,315,800	13,907,624	1,408,176
Post-Retirement Benefits Provisions	26,846,870	19,645,844	7,201,026
Basic Remuneration	120,590,060	119,726,456	863,604
Skills Development levy	2,129,890	1,135	2,128,755

#### Contracted Services

Contracted Services was R5.17 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:



<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Business & Advisory – Business & Financial Matters	1,853,140	0	1,853,140
Business & Advisory – Research & Advisory	2,696,810	913,651	1,783,159
Infrastructure & Planning: Engineering Electrical	2,655,880	452,705	2,203,175
Electrical	3,927,800	2,534,575	1,393,225
Business & Advisory – Research & Advisory	0	1,253,601	(1,253,601)

### Repairs and maintenance

Repairs and maintenance was R8.94 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Overhead lines	7,594,560	6,325,064	1,269,496
Underground	13,669,930	12,085,274	1,584,656
Substations Equipment	4,629,890	4,000,513	629,377
Photocopier Charges	527,880	0	527,880
Pilot Cables	1,346,030	586,736	759,294
Painting	1,096,550	598,492	498,058

### Grants and Subsidies Paid

Grants and Subsidies Paid was R46.33 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements has not acknowledge approximately R41.18 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### Bulk Purchases

Bulk Purchases were R17.79 million more than anticipated in the 2015/16 Adjustments Budget, mainly due to higher than anticipated consumption as approximately 1.64% more units were purchased.

### **Vote 10: Executive and Council**

Revenue was R0.27 million less than *anticipated in the 2015/16 Adjustments Budget*.

### Employee Related Costs

Employee Related Costs was R18.11 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Provision for Critical Vacancies	12,000,000	0	12,000,000
Contractual Staff Appointments - Other	12,938,680	9,028,079	3,910,601
Skills Development Levy	741,080	0	741,080
Travel Allowance Business Kilometers	2,311,010	1,721,047	589,963
Performance Bonus	571,900	(452,046)	1,023,946

### Contracted Services

Contracted Services was R3.96 million less than anticipated in the 2015/16 Adjustments Budget

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Business & Advisory – Accountants and Auditors	12,773,890	8,922,895	3,850,995
Legal cost Legal Advice and Litigation	9,500,000	10,444,217	(944,217)
Administrative and Support Staff	2,279,750	1,162,709	1,117,041

### General Expenses

General Expenses were 8.41 million less than anticipated in the 2015/16 Adjustments Budget

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Water and Sewerage - External	438,400	13,180	425,220
Integrated City Development Grant	5,007,020	3,576,573	1,430,447
Building Rental	4,184,000	993,175	3,190,825
Audit Fees Auditor-General	10,505,660	11,316,349	(810,689)
Community Strategy	5,911,430	8,126,034	(2,214,604)
Consultation Fees	720,440	0	720,440
Special projects and National Pride Celebrations	2,650,000	4,988,454	(2,338,454)
Skills Development Fund Levy	0	1,235,498	1,235,498
Ward Councillors Discretionary Allowance	12,000,000	6,496,010	5,503,990
IDP Review / EXPO	1,220,000	1,841,232	(621,232)
Monitoring & Evaluation, It Based Management Information System	523,750	0	523,750
Domestic Accommodation	750,360	428,657	321,703
Workshops	471,650	149,033	322,617
Visitations (Dignitaries)	500,000	146,401	353,599
Subscriptions to Associations	13,216,760	12,892,312	324,448
Promote National and International Relations	447,410	67,154	380,256
Civic Entertainment	1,201,940	783,604	418,336
Rental External	245,940	(79,050)	324,990
Electricity - External	677,680	270,578	407,102

## **Vote 11: Safety and Security**

*Revenue was R0.19 million more than anticipated, due to the following:*

### Fines

Fines revenue source as per the Consolidated Annual Financial Statements had an actual received of R223.580 million compared to the 2015/16 Adjustments budget estimate of R226, 837. However it is not reflecting the cash that was collected.

Due to GRAP being applied in respect of Traffic Fines revenue, the municipality must in its financial records disclose the value of fines issued. Therefore, when analyzing the traffic fines revue of R221.770 million one must also analyse it against the Impairment of fines as disclosed under the Financial Performance line item Impairment – Other in the amount of R154.403 million. The remaining balance would then consist of Cash collected and traffic fines issued that is still regarded as recoverable.

### Licences and Permits

Licences and Permits revenue earned from Drivers Licence Card Conversions amounted to R7.84 million, representing only 78.7% of the 2015/16 Adjustments Budget of R9.96 million. The Revenue earned in the 2015/16 financial year in the amount of R7,838,151.99 is lower than was earned in the 2014/15 financial year (R7,857,445.98). The Safety and Security Directorate has indicated that the following, resulted in the actual revenue being below the required level:

- Legislation does not specify where card conversions must take place, with such services also provided by neighbouring municipalities.

However, strategies should be put in place to ensure that NMBM residents view NMBM as the preferred services provider.

**Expenditure:**Impairment – Other

Impairment - Other was R36.59 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the impairment calculated in terms of fines issued.

**Vote 12: Nelson Mandela Bay Stadium**

**Revenue** was R2.43 million more than anticipated in the 2015/16 Adjustments Budget, due to Events revenue.

**Expenditure:**Contracted Services

*Contracted Services* was R49.27million more than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Unauthorised Expenditure – no budget	0	35,763,083	(35,763,083)
Stadium Operating Cost	50,117,210	59,913,212	(9,796,002)
Stadium Event – VAT 14%	25,526,500	29,241,420	(3,714,920)

Depreciation

Depreciation was also R7.60 million less than anticipated.

Repairs and maintenance

Repairs and maintenance for buildings was R8 million less than anticipated in the 2015/16 Adjustments Budget.

### General Expenses

General Expenses were R5.79 million less than anticipated in the 2015/16 Adjustments Budget

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Chippa United Agreement	12,500,000	8,123,019	4,376,981
Turnover Share	9,700,000	8,422,313	1,277,687

### **Vote 13: Strategic Programmes Directorate**

**Revenue** was R10.88 million less than anticipated in the 2015/16 Adjustments Budget, due to the following:

### Government Grants and Subsidies

Government Grants and Subsidies were R10.25 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
EU Funding – 3 <sup>rd</sup> Tranche	7,601,180	756,107	6,845,073
E-Share	15,993,120	12,890,543	3,102,577

### General Expenses

General Expenses were R5.30 million less than anticipated in the 2015/16 Adjustments Budget

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
EU Funded Projects	4,815,840	752,624	3,963,216
Consultants Fees	470,000	0	470,000

### ***Vote 14: Sport, Recreation, Arts and Culture***

#### **Revenue:**

##### Other Income

Other Income was R6.64 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
Fuel Levy	21,474,120	14,990,864	6,483,256

Fuel Levy is being allocated to Directorates equal to the amount of spending incurred in respect of Fuel Levy funded projects.

#### **Expenditure:**

##### Depreciation

Depreciation was also R40.43 million more than anticipated due to realignment of assets to the correct directorates.

##### General Expenses

General expenses were R28.54 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Operating Levies Projects	21,474,120	15,240,864	6,233,256
PPE - purchases	0	(3,763,460)	3,763,460
Assets more than the Capitalisation Threshold	3,400,000	1,549,560	1,850,440
Special Projects	17,685,540	16,071,474	1,614,066

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Furniture and Office Equipment	759,630	(613,013)	1,372,643
Library Books	6,263,490	5,128,478	1,135,012
Cleaning	2,212,750	1,018,671	1,194,079
Computer Equipment	1,460,870	189,193	1,271,677

### Conclusion:

In the 2014/15 Annual report it was stated that the Municipality recorded an operating deficit of R12.75 million. However the restated 2014/15 Annual Financial Statements now discloses an operating deficit in the amount of R22,454,834. One-off revenues in the amount of R122.9 million, as reflected below assisted in decreasing the operating deficit:

- NMB Stadium settlement – R76.8 million
- Billing system settlement – R46.1 million

Upon exclusion of the aforementioned one-off revenues, a deficit of R145.4million was in fact achieved.

The Municipality recorded an operating surplus of R5.66 million for the 2015/16 financial year. When compared to the 2014/15 financial year the 2015/16 financial year was operationally an improved performance.



## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
R' 000						
Description	2014/15	Current: Year 2015/16			Year 2015/16 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	1,332,135	1,504,945	1,570,445	1,519,447	0.95%	-3.36%
Service charges	4,059,466	4,817,334	4,836,422	4,645,943	-3.69%	-4.10%
Investment revenue	83,294	70,145	82,070	113,354	38.12%	27.60%
Transfers recognised - operational	1,486,060	1,327,271	1,515,365	1,148,940	-15.52%	-31.89%
Other own revenue	1,233,550	1,165,760	1,384,618	1,354,183	13.91%	-2.25%
Total Revenue (excluding capital transfers and contributions)	8,194,504	8,885,456	9,388,921	8,781,867	-1.18%	-6.91%
Employee costs	2,163,727	2,289,517	2,260,427	2,342,755	2.27%	3.51%
Remuneration of councilors	58,161	64,429	63,286	62,196	-3.59%	-1.75%
Depreciation & asset impairment	1,309,289	1,253,130	1,435,708	1,720,934	27.18%	16.57%
Finance charges	206,793	168,361	171,096	166,492	-1.12%	-2.77%
Materials and bulk purchases	3,014,609	3,266,898	3,320,958	3,223,273	-1.35%	-3.03%
Transfers and grants	25,691	430,509	420,244	24,825	1634.18%	-1592.83%
Other expenditure	1,438,690	1,346,996	1,649,873	1,235,730	-9.00%	-33.51%
Total Expenditure	8,216,959	8,819,839	9,321,591	8,776,204	-0.50%	-6.21%
Surplus/(Deficit)	-22,455	65,617	67,330	5,663	1058.64%	-1088.89%
Transfers recognised – capital	784,204	962,059	781,245	777,512	-23.74%	-0.48%
Contributions recognised - capital & contributed assets	0	0	0	0	#DIV/0!	#DIV/0!
Surplus/(Deficit) after capital transfers &	761,749	1,027,676	848,575	783,176	-31.22%	-8.35%

Financial Summary						
R' 000						
Description	2014/15	Current: Year 2015/16			Year 2015/16 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
contributions						
Share of surplus/ (deficit) of associate	0	0	0	0	#DIV/0!	#DIV/0!
Surplus/(Deficit) for the year	761,749	1,027,676	848,575	783,176	-31.22%	-8.35%
					#DIV/0!	#DIV/0!
Capital expenditure & funds sources						
Capital expenditure	1,451,441	1,612,510	1,573,441	1,351,900	-19.28%	-16.39%
Transfers recognised – capital	784,204	962,059	799,691	777,512	-23.74%	-2.85%
Public contributions & donations	56,854	53,000	53,000	47,747	-11.00%	-11.00%
Borrowing	0	0	0	0	#DIV/0!	#DIV/0!
Internally generated funds	610,383	597,451	720,751	526,641	-13.45%	-36.86%
Total sources of capital funds	1,451,441	1,612,510	1,573,441	1,351,900	-19.28%	-16.39%
Financial position						
Total current assets	3,243,908	2,880,061	3,013,252	3,488,660	17.45%	13.63%
Total non current assets	14,047,315	14,630,829	14,800,158	14,816,177	1.25%	0.11%
Total current liabilities	2,172,775	2,472,268	2,441,867	2,263,028	-9.25%	-7.90%
Total non current liabilities	3,171,589	3,130,164	3,130,164	3,311,775	5.48%	5.48%
Community wealth/Equity	11,946,859	11,908,458	12,241,379	12,730,034	6.45%	3.84%
					#DIV/0!	#DIV/0!
Cash flows						
Net cash from (used) operating	1,400,638	1,981,340	1,725,884	1,892,577	-4.69%	8.81%
Net cash from (used) investing	-1,451,120	-1,596,933	-1,725,096	-1,621,817	1.53%	-6.37%
Net cash from (used) financing	-111,777	-104,093	-87,568	-104,093	0.00%	15.87%
Cash/cash equivalents at the year end	1,445,839	1,194,875	1,358,756	1,608,097	25.70%	15.51%
					#DIV/0!	#DIV/0!
Cash backing/surplus reconciliation						

Financial Summary						
R' 000						
Description	2014/15	Current: Year 2015/16			Year 2015/16 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Cash and investments available	1,445,839	1,194,875	1,358,756	1,612,505	25.90%	15.74%
Application of cash and investments	1,153,897	980,223	1,256,614	1,198,328	18.20%	-4.86%
Balance - surplus (shortfall)	291,941	214,652	102,142	414,177	48.17%	75.34%
					#DIV/0!	#DIV/0!
Asset management						
Asset register summary (WDV)	14,029,016	14,618,738	14,781,859	14,791,870	1.17%	0.07%
Depreciation & asset impairment	870,735	873,746	860,250	859,787	-1.62%	-0.05%
Renewal of Existing Assets	774,313	878,728	869,358	664,142	-32.31%	-30.90%
Repairs and Maintenance	556,202	524,729	515,143	408,906	-28.32%	-25.98%
					#DIV/0!	#DIV/0!
Free services						
Cost of Free Basic Services provided	290,234	319,507	318,884	315,593	-1.24%	-1.04%
Revenue cost of free services provided	432,405	434,453	433,830	473,064	8.16%	8.29%
Households below minimum service level						
Water:	0.00	0.00	0.00	0.00	#DIV/0!	#DIV/0!
Sanitation/sewerage:	0.00	22413.00	22413.00	0.00	#DIV/0!	#DIV/0!
Energy:	0.00	0.00	0.00	0.00	#DIV/0!	#DIV/0!
Refuse:	0.00	107909.00	117869.00	0.00	#DIV/0!	#DIV/0!

Financial Performance of Operational Services						
R '000						
Description	2014/15	2015/16			Year 2015/16 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	-24,980	-106,985	-98,668	-112,620	5.00%	12.39%
Waste Water (Sanitation)	-86,451	-190,028	-207,017	-89,025	-113.45%	-132.54%
Electricity	-232,299	-237,853	-159,634	-138,020	-72.33%	-15.66%
Waste Management	-56,066	-42,486	-52,139	-11,029	-285.23%	-372.76%
Housing	5,673	229,177	226,341	132,805	-72.57%	-70.43%
Component A: sub-total	-394,124	-348,175	-291,117	-217,889	-59.79%	-33.61%
Waste Water (Stormwater Drainage)	53,341	52,463	54,456	53,293	1.56%	-2.18%
Roads	391,867	280,651	250,269	273,099	-2.77%	8.36%
Transport	44,637	664	2,483	5,831	88.60%	57.42%
Component B: sub-total	489,845	333,779	307,208	332,223	-0.47%	7.53%
Planning	189,837	-46,917	-39,901	188,437	124.90%	121.17%
Local Economic Development	133,326	130,511	340,369	168,938	22.75%	-101.48%
Component B: sub-total	323,162	83,594	300,467	357,375	76.61%	15.92%
Planning (Strategic & Regulatory)	0	0	0	0	#DIV/0!	#DIV/0!
Local Economic Development	0	0	0	0	#DIV/0!	#DIV/0!
Component C: sub-total	0	0	0	0	#DIV/0!	#DIV/0!
Community & Social Services	155,484	151,661	192,967	160,738	5.65%	-20.05%
Environmental Protection	126,544	150,442	154,303	150,986	0.36%	-2.20%
Health	193,054	186,146	184,188	127,839	-45.61%	-44.08%

Financial Performance of Operational Services						
R '000						
Description	2014/15	2015/16			Year 2015/16 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Security and Safety	414,986	431,112	224,149	379,693	-13.54%	40.97%
Sport and Recreation	166,162	159,118	164,603	191,622	16.96%	14.10%
Corporate Policy Offices and Other	-1,452,660	-1,213,293	-1,304,098	-1,488,251	18.48%	12.37%
Component D: sub-total	-396,429	-134,814	-383,888	-477,372	71.76%	19.58%
Total Expenditure	22,455	-65,617	-67,330	-5,663	-1058.64%	-1088.89%

## COMMENT ON FINANCIAL PERFORMANCE:

### Water

#### Revenue:

##### Water revenue

Water revenue raised, amounted to R660.22 million, compared to the Adjustments budgeted amount of R639.699 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R103,168 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Water Revenue raised was approximately R123.70 million more than anticipated. This is attributable to actual water consumption patterns being higher than anticipated. It is however also attributable to adjustments made due to certain non-residential Customers water meters such as the Kouga Municipality whose Water meters had been estimated for a long period of time resulting in huge bills being rendered to such customers as the actual readings differ substantially with estimated readings. The impact of this is that under estimations (also no readings) resulted in water not being billed to the extent it should have been, effectively creating an understatement of the water revenue. Also due to this poor practice of estimations the water losses of Council has been overstated for a number of years.

##### Government Grants and subsidies

Government Grants and subsidies was approximately R20.36 million more than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
E-Share – ATTP	88,318,850	112,305,240	(23.986,390)
Department of Education – Repair School Water Leaks	7,248,000	0	7,248,000
GGR Revenue	177,603,280	181,223,657	(3,620,377)

Please note that revenue can only be recognised once the conditions of the grant have been met. Funds received for which the conditions has not been met will be disclosed under unspent conditional grants which will either have to be paid back into the National Revenue Fund or will received an approval from National Treasury to be rolled over to the next financial year based on a successful fully motivated application to National Treasury to allow roll-over of funds based on commitments already in place.

### Other Income

Other Income was approximately R24.17 million less than anticipated.

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
VAT: Government Grants - Capital	24,584,460	0	24,584,460

### **Expenditure:**

#### Impairment – Receivables

Impairment – Receivables was 115,66 million more than anticipated in the 2015/16 Adjustments Budget due to the write-off of doubtful debts in the amount of R71.07 million. Further, provision for doubtful debts in the amount of R 82.97 million was required against an adjustments budget of R38.38 million. The debtors' collection rate for 2015/16 was 91.40%, compared to the budgeted debtors' collection rate of 94%.

#### Depreciation

Depreciation was also R38.05 million less than anticipated.

#### Repairs and Maintenance

Repairs and Maintenance were R49.64 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Pipelines	67,333,810	30,253,168	37,080,642
Repairs of School Water Leaks	7,248,000	(96,211)	7,344,211
Roads	1,030,460	234	1,030,226
Buildings	1,794,350	172,980	1,621,370
Plant and Machinery	13,631,360	12,045,194	1,586,166

### Bulk Purchases

Bulk Purchases were R9.24 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to lower than anticipated consumption

### Grants and Subsidies Paid

Grants and Subsidies Paid was R78.35 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements have not acknowledged approximately R103.17 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### **Waste Water (Sanitation)**

#### **Revenue:**

#### Sanitation revenue

Sanitation revenue raised, amounted to R377.42 million, compared to the Adjustments budgeted amount of R451.738 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R91,639 million, relating to



free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Sanitation Revenue raised was approximately R17.222 million more than anticipated. This is attributable to actual water consumption patterns being higher than anticipated.

#### Government Grants and Subsidies

Government Grants and Subsidies were R38.05 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	Difference
GGR Revenue	246,800,000	232,413,382	14,386,618
E-Share ATTP	115,302,450	91,639,030	23,663,420

#### Other Income

Other Income was R100.66 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2014/15 Adjustments Budget	2014/15 Actual	Difference
Trade Effluent Charges	40,569,000	22,410,532	18,158,468
Pail Service	37,463,120	0	37,463,120
VAT: Government Grants - Capital	43,644,110	0	43,644,110

#### **Expenditure:**

#### Impairment – Receivables

Impairment – Receivables was R41.22 million more than anticipated in the 2015/16 Adjustments Budget due to the write-off of doubtful debts in the amount of R33.48 million. Further, provision for doubtful debts in the amount of R 33.92 million was required against an adjustments budget of R26.18 million. The debtors' collection rate for 2015/16 was 91.40%, compared to the budgeted debtors' collection rate of 94%.

### Depreciation

Depreciation was also R22.41 million less than anticipated.

### Repairs and maintenance

Repairs and maintenance was R19.53 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) under expenditure
Plant and Machinery	28,993,910	23,928,969	5,064,941
Sewers and Outfalls	77,846,610	72,882,055	4,964,555
Pump Sump Cleaning & Tanker Service	9,094,220	5,824,725	3,269,495
Pumps – Daily Inspections	4,274,000	2,334,165	1,939,835

### Grants and Subsidies Paid

Grants and Subsidies Paid was R115.30 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements have not acknowledged approximately R91.64 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### General expenses

General expenses were R11.94 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Petrol, Diesel and Paraffin	7,201,790	5,794,439	1,407,351
Consultants Fees	1,838,830	8,043	1,830,787
Chemical Toilets	1,590,000	0	1,590,000
Fleet Management Services - Vehicles	12,065,490	13,291,518	(1,226,028)
Locomotion Casual	1,756,890	8,201	1,748,689
Chemicals	3,470,220	2,935,635	534,585
Pail Purchases	952,820	0	952,820
Buildings - Rental	517,650	0	517,650
Tools and Equipment	539,580	(1,612)	541,192

## **Electricity and Energy**

### **Revenue:**

#### Electricity revenue

Electricity revenue raised, amount to R3.464 billion, compared to the Adjustments budgeted amount of R3.519 billion. It is, however, important to note that revenue raised has been reduced by an amount of approximately R41,181 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Electricity Revenue raised was approximately R14.334 million less than anticipated. Although the actual electricity consumption increased as evidenced by the 1.64% more units purchased from ESKOM than what was anticipated in the 2016/17 Adjustments Budget, the increase in electricity losses from approximately 12.29% in 2014/15 to 12.68% in 2015/16 clearly reflect why Bulk purchases was overspent and Electricity Sales billed was lower than anticipated.

#### Government Grants and Subsidies

Government Grants and Subsidies were R7.50 million more than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>Difference</b>
EEDSM Projects	8,771,930	0	8,771,930
Off-Grid Electrification	22,000,000	20,788,107	1,211,893
GGR Revenue	47,140,360	66,214,935	(19,074,575)
E-Share - ATTP	45,779,120	44,748,972	1,030,148
Infrastructure Skills Development Grant	9,157,800	8,594,209	563,591

### **Expenditure:**

#### **Employee Related Costs**

Employee Related Costs were R5,53 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Overtime	19,758,810	25,981,611	(6,222,801)
Acting Allowance	1,221,830	2,742,149	(1,520,319)
Pension Fund Contributions	23,652,850	21,819,464	1,833,386
Provision for Leave Pay	1,047,140	3,201,512	(2,154,372)
Travel Allowance – Business Kilometers	15,315,800	13,907,624	1,408,176
Post-Retirement Benefits Provisions	26,846,870	19,645,844	7,201,026
Basic Remuneration	120,590,060	119,726,456	863,604
Skills Development levy	2,129,890	1,135	2,128,755

#### **Contracted Services**

Contracted Services was R5.17 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Business & Advisory – Business & Financial Matters	1,853,140	0	1,853,140
Business & Advisory – Research & Advisory	2,696,810	913,651	1,783,159
Infrastructure & Planning: Engineering Electrical	2,655,880	452,705	2,203,175

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Electrical	3,927,800	2,534,575	1,393,225
Business & Advisory – Research & Advisory	0	1,253,601	(1,253,601)

### Repairs and maintenance

Repairs and maintenance was R8.94 million less than anticipated in the 2015/16 Adjustments Budget, mainly due to the following:

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Overhead lines	7,594,560	6,325,064	1,269,496
Underground	13,669,930	12,085,274	1,584,656
Substations Equipment	4,629,890	4,000,513	629,377
Photocopier Charges	527,880	0	527,880
Pilot Cables	1,346,030	586,736	759,294
Painting	1,096,550	598,492	498,058

### Grants and Subsidies Paid

Grants and Subsidies Paid was R46.33 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements have not acknowledged approximately R41.18 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### Bulk Purchases

Bulk Purchases were R17.79 million more than anticipated in the 2015/16 Adjustments Budget, mainly due to higher than anticipated consumption as approximately 1.64% more units were purchased.

## Waste Management (Refuse)

### Revenue:

#### Refuse revenue

Refuse revenue raised, amounted to R144.59 million, compared to the Adjustments budgeted amount of R225.664 million. It is, however, important to note that revenue raised has been reduced by an amount of approximately R79.605 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with Municipality's ATTP Policy, which is funded from the equitable share. After taking into account the ATTP Subsidies, the Refuse Revenue raised was approximately R1.466 million less than anticipated.

#### Other income

Other income R1.63 million more than anticipated in the 2015/16 Adjustments Budget. This is attributable due to:

Description	2015/16 Adjustments Budget	2015/16 Actual	Over / (under) revenue
Trade Refuse: Dust Bins and Black bags	4,556,790	4,965,474	408,684
Servicing Container: 1.1m Sprico	5,459,900	6,269,520	809,620
Tip Charges – Non Cleansing	10,415,510	10,699,839	284,329

#### Government Grants and Subsidies

Government Grants and Subsidies was R0.90 million less than anticipated in the 2015/16 Adjustments Budget. This is attributable due to:

Description	2015/16 Adjustments Budget	2015/16 Actual	Over / (under) revenue
E-Share	92,130,570	93,283,291	1,152,721
EU Funding – 3 <sup>rd</sup> Tranche	2,765,000	713,876	(2,051,124)

## Operating Expenditure matters:

### Employee related costs

Employee related costs were R2.26 million more than anticipated in the 2015/16 Adjustments Budget. This is mainly attributable to the following:-

Description	2015/16 Adjustments Budget	2015/16 Actual	(Over) / Under Expenditure
Pension Fund Contributions	6,867,700	5,923,865	943,835
Overtime	7,546,620	8,296,208	(749,588)
Basic Remuneration	32,803,120	33,363,491	(560,371)
Temporary Assistance	634,350	129,356	504,994
Annual Bonus	3,101,630	2,949,103	152,527
Medical Aid Contributions	4,217,440	4,028,865	188,575
Provision for Leave Pay	349,130	3,307,537	(2,958,407)
Incentive Bonus	8,328,280	7,889,639	438,641

### Impairment – Receivables

Impairment – Receivables was R27.64 million more than anticipated in the 2015/16 Adjustments Budget due to the write-off of doubtful debts in the amount of R17.11 million. The debtors' collection rate for 2015/16 was 91.40%, compared to the budgeted debtors' collection rate of 94%.

### Grants and Subsidies Paid

Grants and Subsidies Paid was R78.45 million less than anticipated in the 2015/16 Adjustments Budget. It is however important to note that the pre-audited annual financial statements have not acknowledged approximately R79.61 million raised for ATTP consumers that are being supported by using the Equitable Share to pay for the free services as allowed in terms of the NMBM ATTP Policy for the qualifying indigent consumers. Due to the insistence of the Office of the Auditor-General not to acknowledge the free services that are only allowed for qualifying ATTP consumers

that being verified on a continuous basis, the costs was not charged against Grants and subsidies paid, but was off-set against the Refuse Revenue as revenue foregone.

### Contracted Services

Contracted Services was R21.88 million less than anticipated mainly due to the following:-

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) / Under Expenditure</b>
Electrical	21,497,850	7,956,095	13,541,755
Community Based Contractors	17,780,300	7,527,413	10,252,887
Hygiene Services	0	547,636	(547,636)

### Depreciation

Depreciation was R28,33 million more than anticipated.

### General Expenses

General Expenses were R3.98 million more than anticipated due to the following: -

<b>Description</b>	<b>2015/16 Adjustments Budget</b>	<b>2015/16 Actual</b>	<b>(Over) under expenditure</b>
Fleet management Services – Vehicles	36,879,380	30,110,401	6,768,979
Petrol, Diesel and Paraffin	15,520,380	10,533,664	4,986,716
Equipment and machinery	1,200,000	11,347,936	(10,147,936)
Litter Picking Project	13,359,070	17,057,014	(3,697,944)
Unauthorised Expenditure	0	2,189,502	(2,189,502)
EU Ward Based Cleaning and Greening (MURP)	2,765,000	713,876	2,051,124
Special Vehicles	993,820	0	993,820
Illegal Dumping Strategy	2,000,000	3,863,016	(1,863,016)
Consultants Fees	1,632,180	1,488,125	144,055
Chemical Toilets	683,200	0	683,200
Transfer Stations	860,820	3,607,042	(2,746,222)
External Non-Passenger Vehicle Hire – Vatable	12,648,900	11,886,440	762,460



**Conclusion:**

In the 2014/15 Annual report it was stated that the Municipality recorded an operating deficit of R12.75 million. However the restated 2014/15 Annual Financial Statements now discloses an operating deficit in the amount of R22,454,834. One-off revenues in the amount of R122.9 million, as reflected below assisted in decreasing the operating deficit:

- NMB Stadium settlement – R76.8 million
- Billing system settlement – R46.1 million

Upon exclusion of the aforementioned one-off revenues, a deficit of R145.4 million was in fact achieved.

The Municipality recorded an operating surplus of R5.66 million for the 2015/16 financial year. When compared to the 2014/15 financial year the 2015/16 financial year was operationally an improved performance.

## 5.2 GRANTS

Grant Performance						
R' 000						
Description	2014/15	2015/16			2015/16 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	1,888,992	2,097,621	1,943,175	1,788,320	-17.30%	-8.66%
Equitable share	761,606	774,616	774,616	774,617	0.00%	0.00%
Municipal Finance Management Grant	1,250	1,050	1,050	1,050	0.00%	0.00%
Smart Grid Initiative	440	0	1,810	13,848	100.00%	86.93%
Municipal Human Settlements Capacity Grant	14,472	9,847	33,082	28,054	64.90%	-17.92%
Public Transport Infrastructure Grant	106,018	222,256	36,128	10,292	-	-251.03%
Public Transport Networks Operations Grant	71,968	150,000	150,000	26,386	-468.49%	-468.49%
Integrated National Electrification Programme Grant	18,000	35,500	35,500	35,500	0.00%	0.00%
Energy Efficiency & Demand Side Management	10,000	10,000	10,000	0	0.00%	0.00%
Neighbourhood partnership Development Grant	7,882	20,000	0	0	0.00%	0.00%
Urban Settlements Development Grant	828,863	846,480	846,480	846,480	0.00%	0.00%
Infrastructure Skills Development Grant	8,312	9,000	9,249	8,672	-3.79%	-6.65%
EPWP Incentive Grant	18,968	8,664	8,664	8,664	0.00%	0.00%
Integrated City Development Grant	4,133	5,708	5,708	3,985	-43.23%	-43.23%
Off-Grid Electrification Grant	0	0	22,000	20,788	100.00%	-5.83%
LGSETA Discretionary Learnership Funding	8,278	4,500	8,888	9,985	54.93%	10.98%
Municipal Disaster Recovery Fund	28,803	0	0	0	0.00%	0.00%

Grant Performance						
R' 000						
Description	2014/15	2015/16			2015/16 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Other transfers/grants [insert description]						
<b>Provincial Government:</b>	<b>495,252</b>	<b>328,144</b>	<b>446,908</b>	<b>247,265</b>	<b>-32.71%</b>	<b>-80.74%</b>
Health subsidy	4,060	1,957	4,499	3,334	41.29%	-34.96%
Housing	428,290	310,905	410,905	222,854	-39.51%	-84.38%
Provincial Department of Human Settlements: Accreditation Grant	2,557	0	13,974	5,833	100.00%	-139.56%
Provincial Government Grants: Library services	7,390	9,752	9,752	9,752	0.00%	0.00%
VUNA Awards				15	100.00%	100.00%
Department of Roads and Public Works Grant	3,503	5,000	0	0	0.00%	0.00%
CDC Walmer intervention Funding Grant	49,453	0	7,248	0	0.00%	0.00%
Provincial Department Agency: Communication Grant	0	0	0	5,201	100.00%	100.00%
Marine Coastal	0	530	530	275	-92.74%	-92.74%
Other transfers/grants [insert description]					0.00%	0.00%
District Municipality: [insert description]	0	0	0	0	0.00%	0.00%
Other grant providers:	7,427	24,245	37,745	20,974	-15.59%	-79.96%
EU Sector Policy Support Project	3,080	0	10,366	1,470	100.00%	-151.26%
National Lotteries Grant	1,010	0	3,694	3,113	100.00%	-232.97%
Other	3,337	24,245	23,685	16,391	-47.92%	-44.50%
Total Operating Transfers and Grants	2,391,671	2,450,010	2,427,829	2,056,559	-19.13%	-18.05%

## COMMENTS ON OPERATING TRANSFERS AND GRANTS

The revenue amounted to R1.149 billion, compared to the Adjustment budgeted amount of R1.515 billion. This means that R366.43 million or 24.18% of transfers could not be recognised as revenue.

*The following accounts for the performance of grants and explains the variance:*

### **DORA Operating Grants:**

#### **1. Expanded Public Works Programme (EPWP)**

This grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery.

DORA Allocation:	R8 664 000
Amount of Grant Received:	R8 664 000
Expenditure to date:	R8 664 000
<b>Unspent as at 30 June 2016</b>	<b>R            0</b>

As at 30 June 2016, the DORA allocation was fully spent.

#### **2. Public Transport Networks Operations**

This grant is to provide supplementary operational funding in order to operationalize the IPTS project within NMBM.

DORA Allocation:	R150 000 000
Amount of Grant Received:	R150 000 000
Expenditure to date:	R 26 385 789
<b>Unspent as at 30 June 2016:</b>	<b>R123 614 211</b>

As at 30 June 2016, only 17.59% of the DORA allocation was spent.

Roll-over application to National Treasury has been submitted on the 31 August 2016 for the 2015/16 unspent conditional grant which amounted to R123 614 211.

National Treasury has only approved R93.1 million of the roll-over application. The rejected amount of R56.4 million is due to MFMA circulars 75 and 79 requiring that at least 50 per cent of the allocation per programme must be spent.

The approval of R93.1 million is for the following projects:

- PTNG: Planning, Systems Planning, Business and Financial Modeling Industry Transition (Negotiation and Compensation);
- PTNG: Infrastructure, Preventative maintenance;
- PTNG: Equipment and Systems Supply;
- PTNG: Operational Readiness Related Cost; and
- PTNG: Communication and Marketing;

### 3. Infrastructure Skills Development

- a) This grant is to strengthen capacity of local government, to effectively and efficiently deliver quality infrastructure, by increasing the pool of skills.

DORA Allocation:	R9 000 000
Amount of Grant Received:	R9 000 000
Expenditure to date:	R8 423 068
<b>Unspent as at 30 June 2016:</b>	<b>R 576 932</b>

As at 30 June 2016, 93.59% of the DORA allocation was spent.

The National Treasury letter, "Application for roll over of unspent conditional grants for the 2015/16 financial year", dated 7 October 2016 refers. The application for roll over was not approved due to the municipality not submitting supporting documents as evidence to prove that funds are committed.

- b) Grant rolled over from 2014/15, included in the 2015/16 Adjustments Budget

DORA roll-over approved:	R248 644
Expenditure to date:	R248 644
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

The approved rolled-over grant was fully spent, as at 30 June 2016

#### 4. Integrated City Development Grant

This grant is to provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.

DORA Allocation:	R5 708 000
Amount of Grant Received:	R5 708 000
Expenditure to date:	R3 985 226
<b>Unspent as at 30 June 2016:</b>	<b>R1 722 774</b>

As at 30 June 2016, 69.82% of the DORA allocation was spent.

The National Treasury letter, "Application for roll over of unspent conditional grants for the 2015/16 financial year", dated 7 October 2016 refers. The application for roll over was approved.

#### 5. Finance Management Grant

This grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R1 050 000
Amount of Grant Received:	R1 050 000
Expenditure to date:	R1 050 000
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

As at 30 June 2016, the DORA allocation was fully spent.

## 6. Human Settlements Development Grant

This grant is to provide funding to create sustainable human settlements that enable an improved quality of household life, improved access, integration and settlements

Unspent as at 30 June 2015	R 9 752 718
Amount of Grant Received:	R 220 761 020
Debtors raised	R 236 426 726
Reversal of prior year accrual	(R236 016 565)
Expenditure to date:	R 222 854 482
<b>Unspent as at 30 June 2016:</b>	<b>R 8 069 417</b>

As at 30 June 2016, 96.6% of the Grant was spent. As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2015/16 financial year.

As at financial year-end a Debtor was raised in the amount of R236,426,726 for outstanding claims to be paid by Provincial treasury for Top Structures that are built by the municipality based on an Agency Agreement Basis. As at 30 June 2016 the municipality was bridge-funding this project by approximately R177 million. This has an impact on the municipalities' cash flows as well as the investment portfolio resulting in less interest revenue earned and / or not funding critical projects that could enhance the revenue base of the municipality.

## 7. Municipality Human Settlements Capacity Grant

This grant is to provide funding to ensure effective management of human settlements programmes at the local government level in line with the accreditation framework.

<b>Unspent as at 30 June 2015:</b>	<b>R 23 235 275</b>
DORA Allocation:	R 9 847 000
Amount of Grant Received:	R 9 847 000
Expenditure to date:	R 28 053 871
<b>Unspent as at 30 June 2016:</b>	<b>R 5 028 404</b>

As at 30 June 2016, 84.8% of the DORA allocation was spent.

**The roll-over request submitted to National Treasury for the unspent amount was not approved.**

## **8. Urban Settlements Development Grant**

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation:	R22 924 967
Amount of Grant Received:	R22 924 967
Expenditure to date:	R22 924 967
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

As at 30 June 2016, the DORA allocation was fully spent.

## **Other Operating Grants**

### **1. Off-Grid Electrification**

This grant is used for the socio-economic development of previously disadvantaged communities through household and institutional electrification of associated community value-adding facilities

<b>Unspent as at 30 June 2015:</b>	<b>R 22 000 000</b>
Expenditure to date:	R 20 788 107
<b>Unspent as at 30 June 2016:</b>	<b>R 1 211 893</b>

As at 30 June 2015, 94.5% of the allocation was spent.

As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2016/17 financial year.



## 2. Provincial Department of Human Settlements: Accreditation Grant

This grant is used for capacity building of level 3 accreditation in the preparation of NMBM in Human Settlement matters.

**Unspent as at 30 June 2015: R 13 973 784**

Expenditure to date: R 5 833 027

**Unspent as at 30 June 2016: R 8 140 757**

As at 30 June 2016, 41.7% of the allocation was spent.

As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2016/17 financial year.

## 3. European Union Grant (3<sup>rd</sup> Tranche)

This grant is to contribute to the improvement of the quality of life of marginalized people in urban areas within the framework of the SA Government's Urban Renewal Programme.

**Unspent as at 30 June 2015: R10 366 174**

Expenditure to date: R 1 469 983

**Unspent as at 30 June 2016: R 8 896 191**

The spending incurred against the unspent 2014/15 European Union Grant amounted to 14.2%, as at 30 June 2016. Spending against this grant was again very low.

## 4. National Lotteries

This grant is used to fund Arts and Culture Programmes

**Unspent as at 30 June 2015: R 4 863 245**

Expenditure to date: R 3 113 208

**Unspent as at 30 June 2016: R 1 750 037**

The spending incurred against the unspent 2013/14 National Lotteries grant amounted to 64.0%, as at 30 June 2016.

## 5. Smart Grid Initiative

This grant is used to develop innovative, interactive and improved technological solutions to deal with revenue enhancement.

**Unspent as at 30 June 2015:** **R 1 809 900**

Amount of Grant Received: R 10 500 000

Debtors raised R 2 250 000

Expenditure to date: R 13 848 064

**Unspent as at 30 June 2016:** **R 711 836**

As at 30 June 2016 95.1% of the allocation was spent.

As this grant is not a DORA grant, no application is required to rollover the unspent funds to the 2016/17 financial year.

## 7. PHB Subsidies

This grant is received from Provincial Government and is used for the construction of low-cost housing.

As at financial year-end, a Debtor was raised in the amount of R236,161,150 for outstanding claims to be paid by Provincial Treasury for Top Structures built by the Municipality, based on an Agency Agreement. As at 30 June 2016, the Municipality was bridge-funding this project by approximately R177 million. This has an impact on the Municipality's cash flows as well as the investment portfolio, resulting in less interest revenue earned and/or lack of funding for critical projects that could enhance the revenue base of the Municipality.

## COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

The following grants were unspent as at 30 June 2016:

Description	Amount ( R )
<b>DORA Grants</b>	
Public Transport Networks Operations Grant	123,614,211
Integrated City Development Grant	1,722,774
Municipal Human settlements Capacity Grant	5,028,404
Infrastructure Skills Development Grant	576,932
	<b>130,942,321</b>
<b>Other Grants</b>	
Off-Grid Electrification Grant	1,211,893
PHB Subsidies	8,069,417
EU Grant	8,896,191
National Lotteries Grant	1,750,037
Provincial Department of Human Settlements Accreditation Grant	8,140,757
LGSETA Discretionary Learnership Funding	3,454,479
Provincial Department Agency: Communication Grant	872,782
Other Grants	5,141,162
Smart-Grid Initiative Grant	711,836
	<b>38,248,554</b>
<b>Total Unspent Operational Conditional Grants</b>	<b>169,190,875</b>

*The following accounts for the performance of capital grants and explains the variance:*

### **DORA Capital Grants:**

#### **1. Urban Settlements Development Grant**

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation:	R846,480,000
Amount of Grant Received:	R846,480,000
Expenditure to date:	R846,480,000

**Unspent as at 30 June 2016** **R** **0**

As at 30 June 2016, the DORA allocation was fully spent.

## **5. Public Transport Infrastructure Grant**

This grant is to provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.

DORA Allocation: R36,128,000

Amount of Grant Received: R36,128,000

Expenditure to date: R10,291,918

**Unspent as at 30 June 2016:** **R25,836,082**

As at 30 June 2016, 28.49% of the 2014/15 Adjustments Budget was spent.

## **6. Neighbourhood Development Partnership Grant**

This grant is to support and facilitate the planning and development of Neighbourhood development programmes and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted underserved neighbourhoods.

DORA Allocation: R20 000 000

DORA Adjustments Budget R 0

Amount of Grant Received: R 0

Expenditure to date: R 0

**Unspent as at 30 June 2016:** **R** **0**

Due to historic poor spending this grant has been amended from R20 million to Rnil in the Adjustments DORA..

## 7. Integrated National Electrification Programme

This grant is to provide funding to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.

DORA Allocation:	R35 000 000
Amount of Grant Received:	R35 000 000
Expenditure to date:	R35 000 000
<b>Unspent as at 30 June 2016:</b>	<b>R            0</b>

As at 30 June 2016, the DORA allocation was fully spent.

### Other Capital Grants

#### 1. CDC Walmer Intervention Funding Grant

This grant is used to speed up service delivery intervention in Walmer Gqebera township

Received 2015/16:	R5 546,957
Expenditure to date:	R            0
<b>Unspent as at 30 June 2016:</b>	<b>R5 546,957</b>

No spending was incurred against this grant..

Applications were submitted to National Treasury for roll-overs to the 2016/17 financial year in respect of all unspent conditional DORA grants. However the submission for roll-over was made in respect of the **Public Transport Infrastructure Grant in the amount of R25,836,082 was not approved** by National Treasury.

Revenue is recognised against the unspent grant only once the conditions in respect of the grant are met.

### 5.3 ASSET MANAGEMENT

#### INTRODUCTION TO ASSET MANAGEMENT

The Asset Management Unit is responsible for the coordination of the Asset Management function throughout the Municipality to ensure compliance with S63 of the MFMA 56 of 2003.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0 (2015-16)				
Asset 1				
Name	Cabinet Filling Unit			
Description	Cabinet Filling Unit			
Asset Type	Furniture & Fittings			
Key Staff Involved	Xolisile Tshabangu			
Staff Responsibilities	Updating Asset Register System with new asset purchases			
Asset Value	Year -3 (2012-13)	Year -2 (2013-14)	Year -1 (2014-15)	Year 0 (2015-2016)
				162 280.70
Capital Implications	Capitalised			
Future Purpose of Asset	Use by Human Settlement			
Describe Key Issues	Filling of Documents			
Policies in Place to Manage Asset	Asset Management, Asset Disposal and Asset Loss Control Policies			
Asset 2				
Name	Eye Tester			
Description	Eye Tester Machine			
Asset Type	Computer Equipment			
Key Staff Involved	Xolisile Tshabangu			
Staff Responsibilities	Updating Asset Register System with new asset purchases			
Asset Value	Year -3	Year -2	Year -1	Year 0
				54 820
Capital Implications	Capitalised			
Future Purpose of Asset	Wellness Center			
Describe Key Issues	For testing eyes			
Policies in Place to Manage Asset	Asset Management, Asset Disposal and Asset Loss Control Policies			

<b>Asset 3</b>				
Name	Machine Ecg			
Description	<b>Machine Ecg</b>			
Asset Type	Equipment			
Key Staff Involved	Xolisile Tshabangu			
Staff Responsibilities	<b>Updating Asset Register System with new asset purchases</b>			
Asset Value	Year -3	Year -2	Year -1	<b>Year 0</b>
				<b>49 928.66</b>
Capital Implications	Capitalised			
Future Purpose of Asset	Use by Wellness Centre Staff			
Describe Key Issues	Testing internal organs			
Policies in Place to Manage Asset	Asset Management, Asset Disposal and Asset Loss Control Policies			

#### **COMMENT ON ASSET MANAGEMENT:**

Council adopted an Asset Management Policy to provide guidance on the roles and responsibilities of directorates in the management and safekeeping of assets under their control. The Policy also provides capitalisation details and asset depreciation methods. Council further adopted the Asset Disposal Policy to deal with the procedures to be followed regarding the disposal of municipal assets. Asset Management maintains a bar coded asset audit system of movable assets to ensure the proper management and control of municipal assets by various directorates.

#### **COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:**

The repairs and maintenance of assets are undertaken on an ongoing basis. Having major maintenance backlogs on infrastructure assets will require a more focused provision of the repairs and maintenance budget in the short to medium term. The under spending by approximately 20.62% is poor. In the mSCOA environment, to be implemented as regulated by 1 July 2017 Repairs and Maintenance will be budgeted at the project level and it will reference what assets have been maintained.

As a percentage of Operating Expenditure, Repairs and Maintenance was maintained in the bracket of 6.5% to 7.5% for the 2012/13 to 2014/15 financial years. However it dropped to 4.66% in the 2015/16 Financial year.

Below is an analysis of actual repairs and maintenance expenditure by Directorate, compared to the 2015/16 Adjustments Budget.

<b>Directorate</b>	<b>2015/16 Adjustments Budget R</b>	<b>2015/16 Actual R</b>	<b>% of Adjustments Budget</b>
Budget & Treasury	523,580	53,583	10.23
Public Health	8,376,450	4,487,447	53.57
Human Settlements	2,117,430	1,445,122	68.25
Economic Development , Tourism and Agriculture	2,240,680	2,082,859	92.96
Sports, Recreation, Arts and Culture	21,020,190	16,979,625	80.78
Corporate Services	19,836,040	18,042,895	90.96
Rate and General: Infrastructure & Engineering	130,220,880	119,818,722	92.01
Water Services	128,760,800	79,119,049	61.45
Sanitation Services	127,984,490	108,453,829	84.74
Electricity and Energy	54,070,420	45,131,448	83.47
Executive and Council	11,149,110	629,431	5.65
Safety and Security	8,698,860	12,656,347	145.49
Strategic Programmes Directorate	144,160	6,061	4.20
<b>Total</b>	<b>515,143,090</b>	<b>408,906,418</b>	<b>79.38</b>

Repairs and maintenance was therefore underspent by an amount of R106.237 million, compared to the 2015/16 Adjustments Budget due to the following:

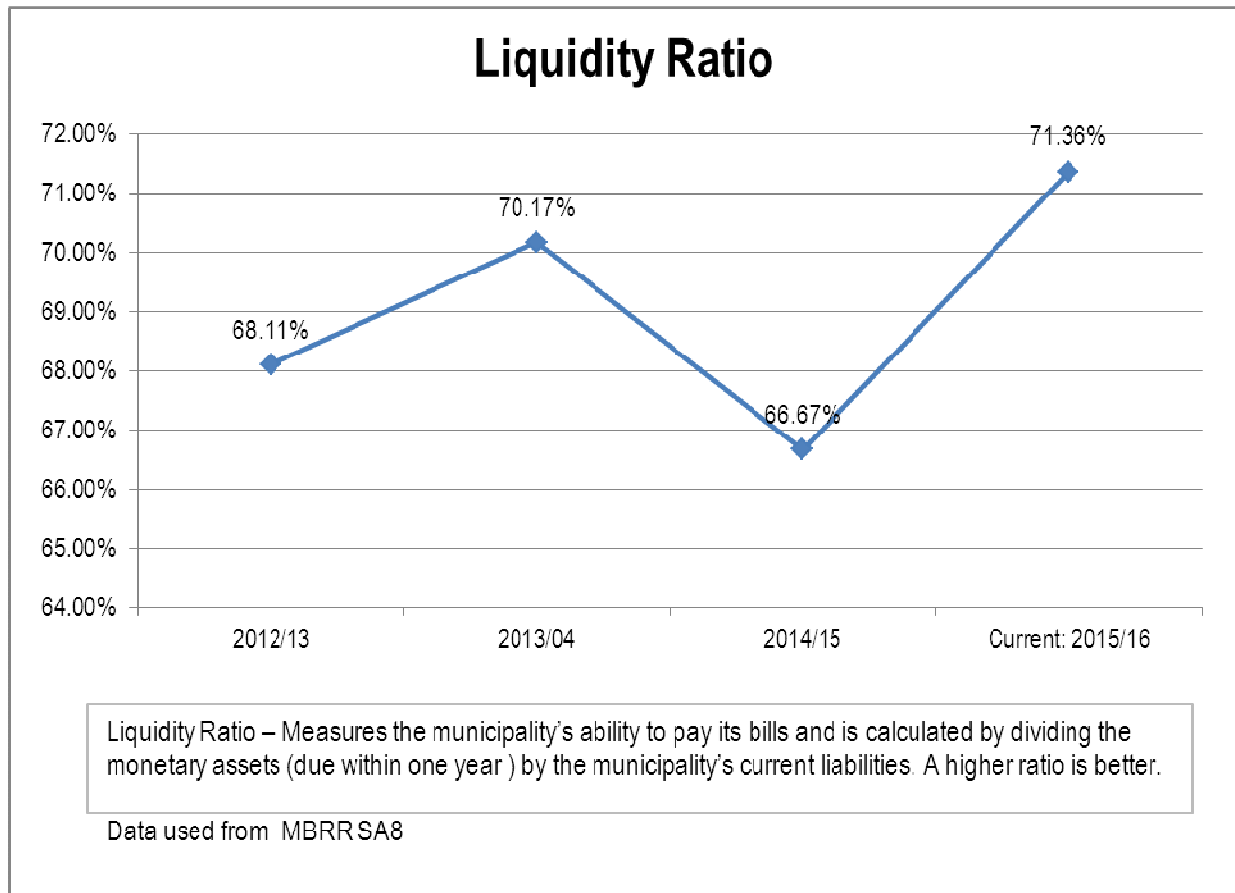
<b>Item description</b>	<b>2015/16 Adjustments Budget R</b>	<b>2015/16 Actual R</b>	<b>Variance R</b>
Pipelines	67,333,810	30,253,168	37,080,642
Contractor Roadwork	15,102,890	4,912,343	10,190,547
Plant and Machinery	46,682,430	39,128,121	7,554,309
Sewers and Outfalls	77,846,610	72,882,055	4,964,555
Buildings – External	10,484,270	1,952,526	8,531,744



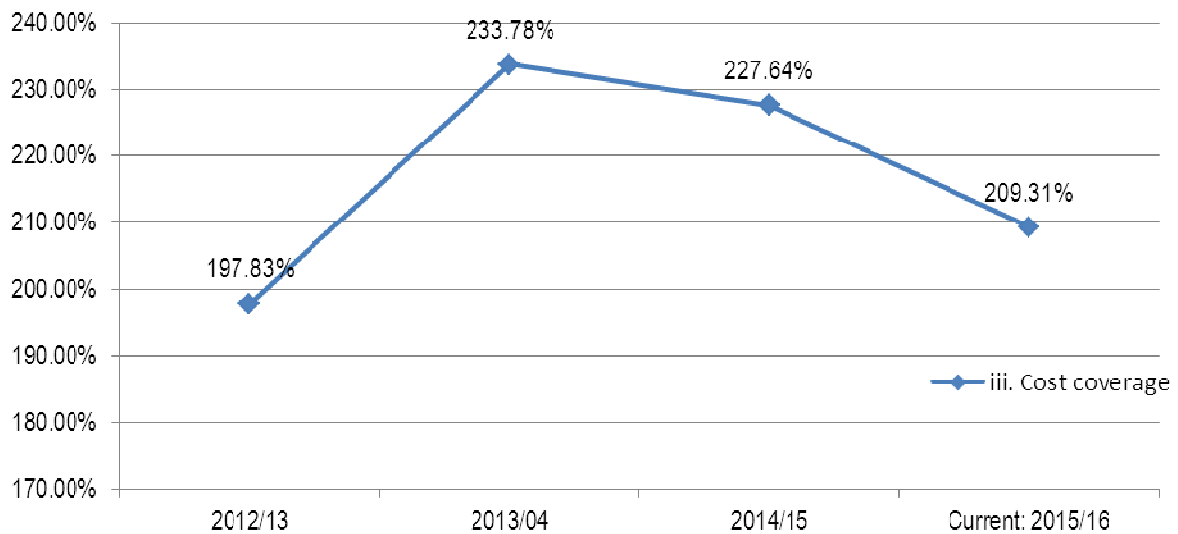
<b>Item description</b>	<b>2015/16 Adjustments Budget R</b>	<b>2015/16 Actual R</b>	<b>Variance R</b>
Repair of School Water Leaks	7,248,000	(96,211)	7,344,211
Pump Sump Cleaning and Tanker Service	9,094,220	5,824,725	3,269,495
GIS Software Maintenance Agreement	3,624,400	0	3,624,400
Special Drain Cleaning	12,322,170	10,145,765	2,176,405
<b>TOTAL</b>	<b>249,738,800</b>	<b>165,002,492</b>	<b>84,736,308</b>

The above mentioned illustrates that considering the extent of water losses an opportunity to address some backlogs had been lost due to under spending of repairs and maintenance funds related to particularly to the Water Infrastructure.

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



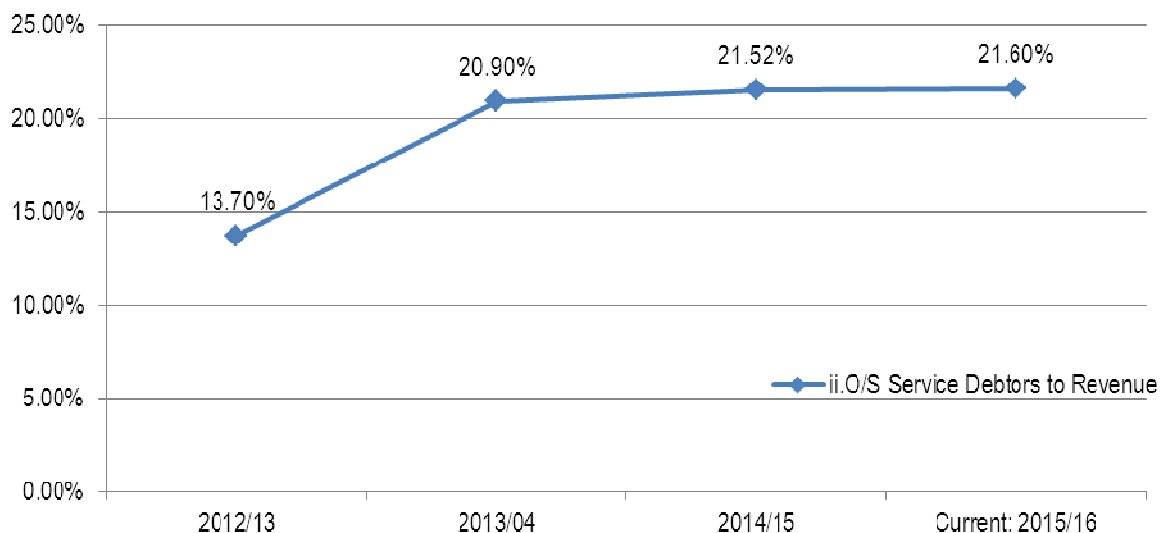
## Cost Coverage



Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

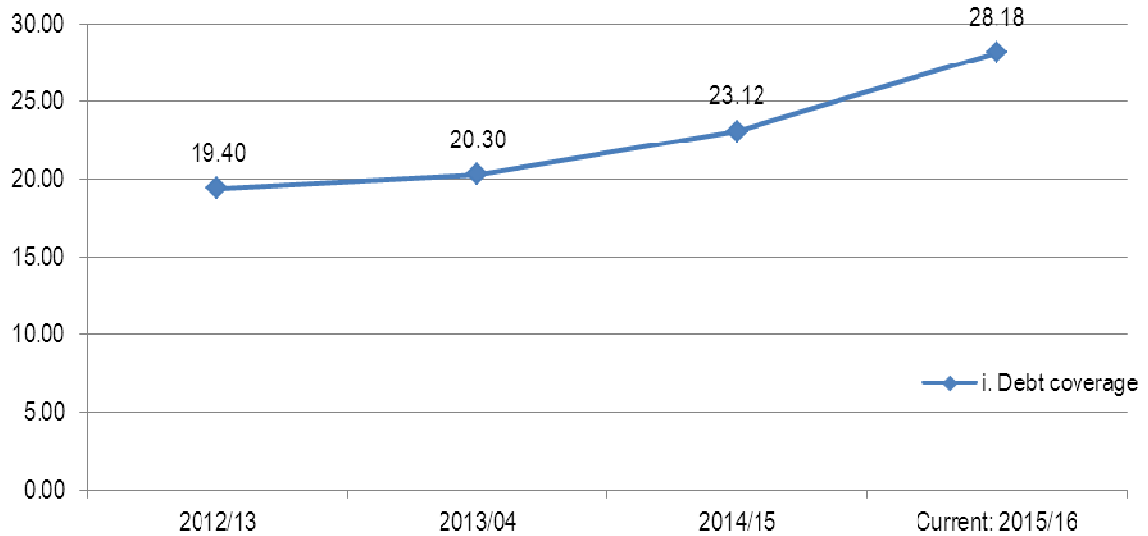
## Total Outstanding Service Debtors



Total Outstanding Service Debtors– Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

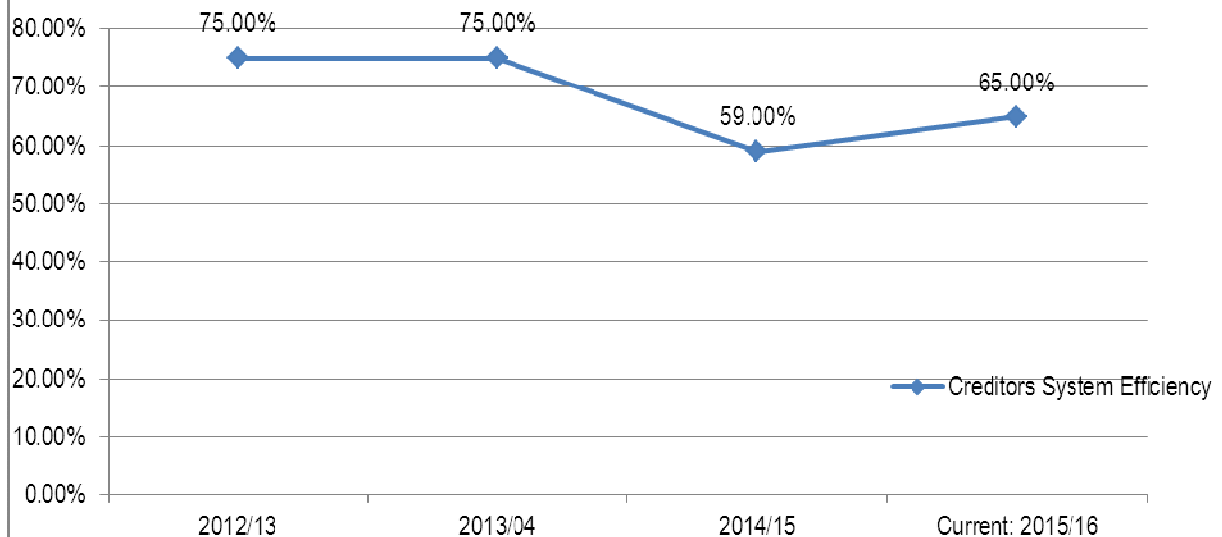
## Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

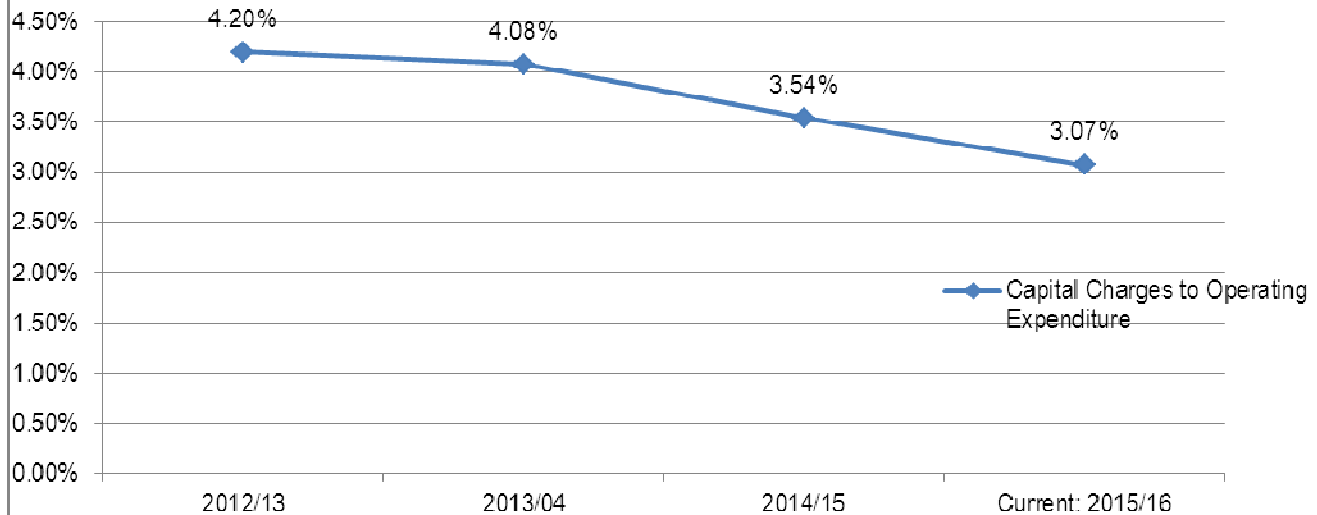
## Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

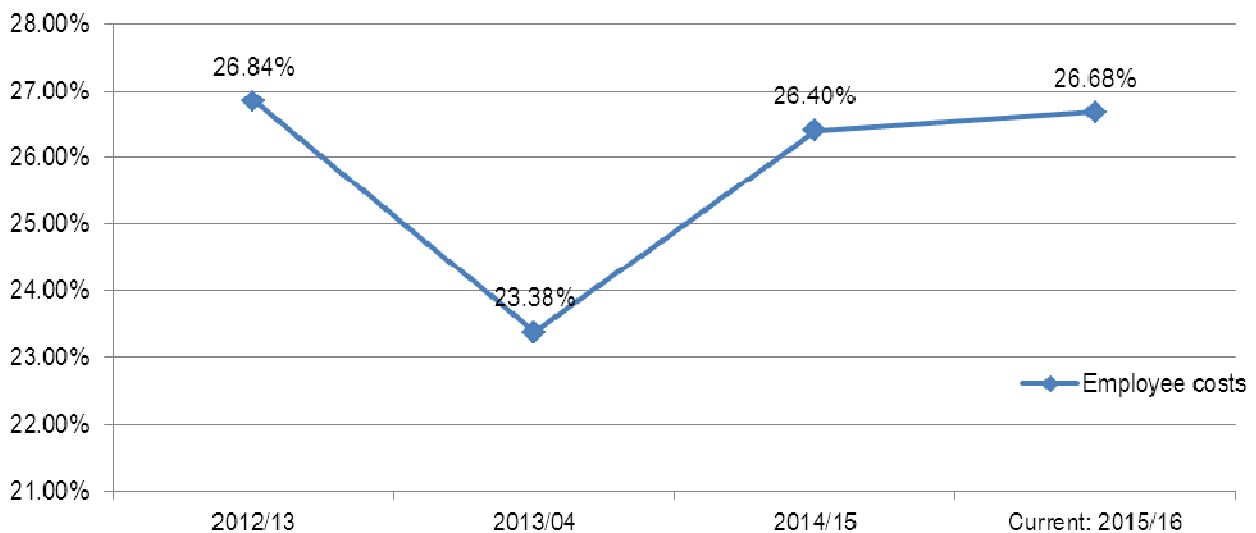
## Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

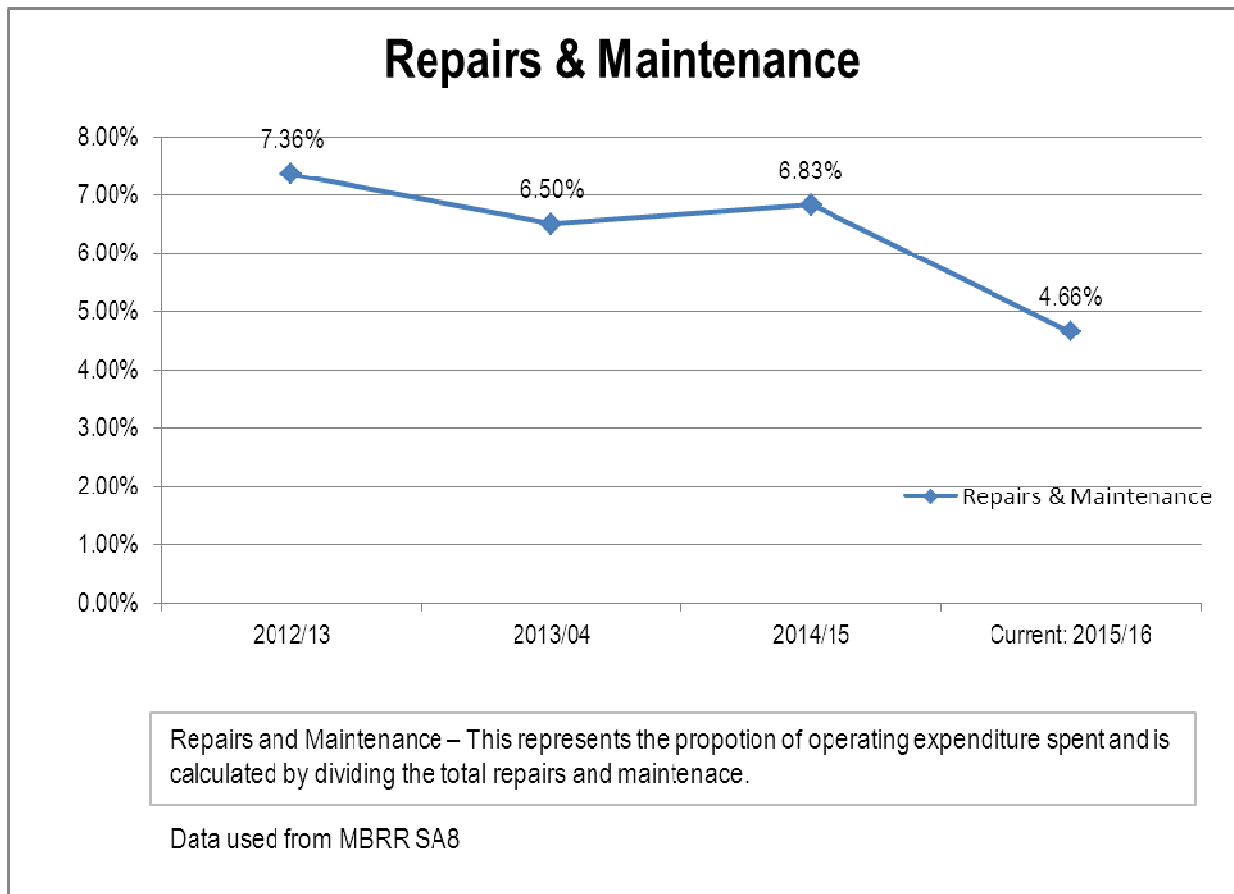
Data used from MBRR SA8

## Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8



## COMMENT ON FINANCIAL RATIOS

The comments will focus on the Ratio tables T 5.4.1 to T 5.4.8 as follows:

### T5.4.1 Liquidity ratio:

The liquidity ratio represents the monetary assets, divided by current liabilities. The ratio shows an improvement from 0.2:1 to 0.7:1 from the 2010/11 to the 2015/16 financial years. It indicates that the NMBM is slowly recovering from the cash challenges experienced in the 2010/11 financial year. The NMBM must, however, achieve a ratio of at least a 1:1 to be considered financially sustainable. The main factors influencing the ratio is the improvement in Cash and Cash equivalents, which increased by R1.12 billion from R486.0 million in 2010/11 to R1.61 billion in 2015/16. Current liabilities increased by R0.20 billion only from R2.06 billion in 2009/10 to R2.26 billion in 2015/16. The moderate increase in current liabilities is mainly due to a general decrease in unspent conditional grants over the same period. However an

increase in the amount of R29.27 million in respect of Unspent Conditional Grants was experienced in the 2015/16 financial year. **The liquidity ratio increased from 0.6667:1 in the 2014/15 financial year to 0.7136 in the 2015/16 financial year, which still indicates a short to medium term risk to the financial sustainability of the municipality.**

#### **T5.4.2 Cost coverage:**

The cost coverage ratio closely follows the trends observed in the liquidity ratio. The cash flow challenges experienced during 2010/11 to 2011/12 is clearly reflected in the low ratios of 0.5 months and 1.2 months, respectively. However, the ratio improved significantly to 2.0 months and 2.3 months respectively, for the 2012/13 and 2013/14 financial years. The ratio however deteriorated to 2.1 months for the 2015/16 financial year. The 2015/16 ratio of 2.108 months is lower than the 2014/15 ratio of 2.276 months. Although Cash and Cash Equivalents increased by R166.42 million from R1,449 billion in 2014/15 to R1.607 billion in 2015/16, it was mainly due to the Unspent conditional Grants as at 30 June 2016 increasing by R131.062 million from R244.408 million in 2014/15 to R375,471 million in 2015/16. It is important to note that the unspent conditional grants (cash as at 30 June) increased from R244.408 million in 2014/15 to R375.471 million in 2015/16. The poor spending in respect of the Public Transport Networks Grants is the main contributing factor. Factors impacting on the level of cash and cash equivalents and ultimately the investments portfolio of the municipality should be monitored and managed. **The cost coverage ratio declined from 2.27 months in the 2013/14 financial year to 2.11 in the 2015/16 financial year, which impacts on the financial sustainability of the municipality.**

#### **T5.4.3 Total outstanding Service Debtors:**

The ratio increased from 12.6% in 2011/12 to 21.6% in 2015/16. This trend must be viewed with caution. The gross outstanding service debtors increased by **13.87%** from R2.940 billion in 2014/15 to R3.348 billion in 2015/16, as a result of a debtors' collection rate of only 91.4% on billed revenue, compared to a budgeted debtors' collection rate of 94%. This increase occurred despite large amounts of outstanding debts being written off each year. The provision for doubtful debts had to be adjusted

from R1.798 billion to R2.041 billion. The provisioning levels indicate that 61.16% of gross debtors for 2014/15 and 60.96% for 2015/16 are considered to be doubtful. Debt collection must therefore be prioritised to improve the financial sustainability of the Municipality. **The current level of outstanding service debtors is a cause for concern and all credit control and other related strategies should be implemented to improve the collection rate of the municipality, so as to arrest this ever- increasing ratio, which impacts negatively on the cash position of the municipality.**

#### **T5.4.4 Debt coverage:**

The ratio improved positively over the last financial year from 20.3 times in 2013/14 to 23.1 times in 2014/15 and then to 28.2 times in 2015/16. This improvement is attributable to the fact that no external borrowing was raised as from the 2011/12 financial year. **In order to ensure financial sustainability over the medium to long term, the NMBM should not take up any external borrowing for at least the period 2016/17 to 2017/18. Thereafter, external borrowing could possibly be considered for revenue generating assets.**

#### **T5.4.5 Creditors System Efficiency:**

A ratio of 65% indicates that the NMBM is not performing at the required level and is therefore not legislatively compliant. Management reports are prepared on a monthly basis, indicating the total days each directorate takes to process payments from the date of receipt of the invoice. Most directorates are not meeting the legislative timeframes of processing payments within 30 days from the date of receipt of the invoice. This ratio does not reflect the efficiency of the Creditors Section *per se*, but measures the efficiency of the payment process from the date of receipt of the invoice by the each directorate until the processing of the payment through the creditors payment system. The scorecards of Executive Directors do include the legislative timeframes for processing payments. **The ratio of 65% is an improvement from the 59% achieved in the 2014/15 financial year.**



#### **T5.4.6 Capital Charges to Operating Expenditure:**

The ratio has decreased from 4.2% in the 2010/11 to 3.07% in 2015/16, and will further decrease over the 2015/16 MTREF, as no external borrowing will be taken up.

#### **T5.4.7 Employee costs**

Employee costs as a percentage of operating revenue decreased from 31.7% in the 2011/12 financial year to 26.68% in 2015/16. The ratio is however increasing annually since the 2013/14 financial year where the ratio was 23.38%. National Treasury has stated that there is no benchmark for employee costs for municipalities, as they operate under different circumstances. Considering the current financial position of the NMBM, the target for this ratio should be revisited. Financial pressures such as TASK implementation, the filling of vacancies and the finalisation of the new organisational structure will be significant factors to manage over the 2016/17 MTREF.

**The increase in the ratio indicates further cash flow pressures over the short to medium term and will also negatively impact on the financial sustainability of the municipality.**

#### **T5.4.8 Repairs and Maintenance:**

The ratio is at a low 4.66%. It is critical that the municipality should either increase its spending on infrastructural repairs and maintenance or increase the Capital spending on the renewal of current assets in order to deal with the ever growing backlog in maintaining an old infrastructure. Considering the backlog in maintaining infrastructure, it is evident that this ratio should at least be at a 7% level. At this stage, the Municipality's cash position is unable to support a level in excess of 7%. Alternative strategies and/or funding mechanisms needs must be developed to address the eradication of infrastructure maintenance backlogs. The main risks associated with a low repairs and maintenance ratio is that assets' expected useful lives will decrease, resulting in the earlier replacement of assets, for which inadequate financial capacity exists within the NMBM's current revenue base.

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The 2015/16 Capital Budget was funded as follows:

Funding Source	% of Original Budget	% of Adjustments Budget	% of Actual Expenditure
Grant Funding	59.66%	50.82%	57.51%
Internal Funding	37.05%	45.81%	38.96%
Borrowing	0.00%	0.00%	0.00%
Public Contributions	3.29%	3.37%	3.53%
Total	100.00%	100.00%	100.00%

The municipality performed as follows on the DORA Capital Grants:

#### 1. Urban Settlements Development Grant

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation: R846,480,000

Amount of Grant Received: R846,480,000

Expenditure to date: R846,480,000

**Unspent as at 30 June 2016 R 0**

As at 30 June 2016, the DORA allocation was fully spent.

#### 1. Public Transport Infrastructure Grant

This grant is to provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.

DORA Allocation: R36,128,000

Amount of Grant Received: R36,128,000

Expenditure to date: R10,291,918

**Unspent as at 30 June 2016: R25,836,082**

As at 30 June 2016, 28.49% of the 2014/15 Adjustments Budget was spent.

## 2. Neighbourhood Development Partnership Grant

This grant is to support and facilitate the planning and development of Neighbourhood development programmes and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted underserved neighbourhoods.

DORA Allocation:	R20 000 000
DORA Adjustments Budget	R 0
Amount of Grant Received:	R 0
Expenditure to date:	R 0
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

Due to historic poor spending this grant has been amended from R20 million to Rnil in the Adjustments DORA..

## 3. Integrated National Electrification Programme

This grant is to provide funding to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.

DORA Allocation:	R35 000 000
Amount of Grant Received:	R35 000 000
Expenditure to date:	R35 000 000
<b>Unspent as at 30 June 2016:</b>	<b>R 0</b>

As at 30 June 2016, the DORA allocation was fully spent.

## **Other Capital Grants**

### **1. CDC Walmer Intervention Funding Grant**

This grant is used to speed up service delivery intervention in Walmer Gqebera township

Received 2015/16: R5 546,957

Expenditure to date: R 0

**Unspent as at 30 June 2016: R5 546,957**

No spending was incurred against this grant..

Applications were submitted to National Treasury for roll-overs to the 2016/17 financial year in respect of all unspent conditional DORA grants. However the submission for roll-over was made in respect of the **Public Transport Infrastructure Grant in the amount of R25,836,082 was not approved** by National Treasury.

Revenue is recognised against the unspent grant only once the conditions in respect of the grant are met.

## **5.5 CAPITAL EXPENDITURE**

	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Audited Full Year Total</b>	<b>Original Budget variance</b>	<b>Adjusted Budget Variance</b>
Capital Expenditure	1,612,510	1,573,441	1,351,900	16.16%	14.08%
	1,612,510	1,573,441	1,351,900	16.16%	14.08%
Operating Expenditure	8,819,839	9,321,591	8,776,204	0.49%	5.85%
	8,819,839	9,321,591	8,776,204	0.49%	5.85%
Total expenditure	10,432,350	10,895,032	10,128,104	2.92%	7.04%
Water and sanitation	437,453	437,453	425,680	2.69%	2.69%
Electricity	229,792	244,352	242,331	-5.46%	0.83%
Housing	175,108	176,308	180,459	-3.06%	-2.35%
Roads, Pavements, Bridges and storm water	418,600	263,808	237,347	43.30%	10.03%
Other	351,557	451,521	266,083	24.31%	41.07%
	1,612,510	1,573,442	1,351,899	16.16%	14.08%
External Loans	0.00	0.00	0.00		
Internal contributions	597,451	720,751	526,641	11.85%	26.93%

	Original Budget	Adjustment Budget	Audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Grants and subsidies	962,059	799,691	777,512	19.18%	2.77%
Other	53,000	53,000	47,747	9.91%	9.91%
	1,612,510	1,573,442	1,351,900	16.16%	14.08%
External Loans	0	0	0		
Grants and subsidies	2,449,541	2,342,609	2,138,307	12.71%	8.72%
Investments Redeemed	0	0	0		
Statutory Receipts (including VAT)	6,547,926	6,663,557	7,348,883	-12.23%	-10.28%
Other Receipts	70,045	92,387	4,073	94.19%	95.59%
	9,067,512	9,098,553	9,491,262	-4.67%	-4.32%
Salaries, wages and allowances	2,289,517	2,260,427	2,342,755	-2.33%	-3.64%
Cash and creditor payments	4,600,302	4,898,013	4,981,716	-8.29%	-1.71%
Capital payments	1,596,933	1,718,889	1,621,817	-1.56%	5.65%
Investments made	0	0	0		
External loans repaid	104,093	104,093	104,093	0.00%	0.00%
Statutory Payments (including VAT)	0	0	0		
Other payments	196,354	203,911	274,214	-39.65%	-34.48%
	8,787,198	9,185,333	9,324,595	-6.12%	-1.52%

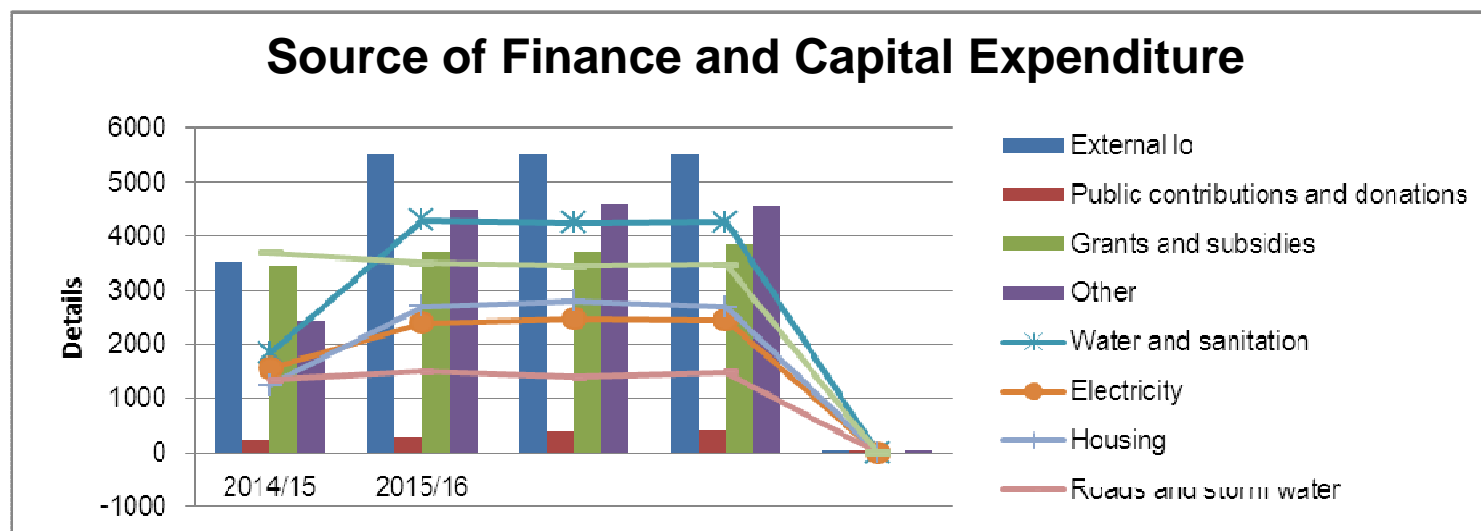
	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Property rates	1,504,945	1,570,445	1,519,447	-0.96%	3.25%
Service charges	4,817,334	4,836,422	4,645,943	3.56%	3.94%
Other own revenue	2,563,177	2,982,054	2,616,476	-2.08%	12.26%
	8,885,456	9,388,921	8,781,867	1.17%	6.47%
Employee related costs	2,289,517	2,260,427	2,342,755	-2.33%	-3.64%
Provision for working capital	379,384	384,462	625,575	-64.89%	-62.71%
Repairs and maintenance	524,729	515,143	408,906	22.07%	20.62%
Bulk purchases	2,742,169	2,805,815	2,814,366	-2.63%	-0.30%
Other expenditure	2,884,041	3,355,745	2,584,601	10.38%	22.98%
	8,819,839	9,321,591	8,776,204	0.49%	5.85%
Service charges: Electricity	3,472,320	3,472,943	3,463,845	0.24%	0.26%
Grants & subsidies: Electricity	111,223	132,849	140,346	-26.18%	-5.64%
Other revenue: Electricity	98,636	98,820	99,209	-0.58%	-0.39%
	3,682,179	3,704,611	3,703,400	-0.58%	0.03%
Employee related costs: Electricity	276,027	275,426	269,894	2.22%	2.01%
Provision for working capital: Electricity	0	0	0		
Repairs and maintenance: Electricity	54,923	54,070	45,131	17.83%	16.53%
Bulk purchases: Electricity	2,638,068	2,702,513	2,720,304	-3.12%	-0.66%
Other expenditure: Electricity	428,168	512,107	463,751	-8.31%	9.44%
	3,397,186	3,544,116	3,499,081	-3.00%	1.27%

	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Un-audited Full Year Total</b>	<b>Original Budget variance</b>	<b>Adjusted Budget Variance</b>
Service charges: Water	561,349	561,349	660,223	-17.61%	-17.61%
Grants & subsidies: Water	250,644	273,170	293,529	-17.11%	-7.45%
Other revenue: Water	69,449	69,492	42,800	38.37%	38.41%
	881,442	904,011	996,552	-13.06%	-10.24%
Employee related costs: Water	137,824	124,836	130,835	5.07%	-4.81%
Provision for working capital: Water	0	0	0		
Repairs and maintenance: Water	126,176	128,761	79,119	37.29%	38.55%
Bulk purchases: Water	104,101	103,301	94,062	9.64%	8.94%
Other expenditure: Water	246,752	270,841	398,703	-61.58%	-47.21%
	614,854	627,740	702,719	-14.29%	-11.94%

## 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: 2014/15 to 2015/16							
R' 000							
Details		2014/15	2015/16				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	3542.00	5500.00	5520.00	5511.00	0.00	0.00
	Public contributions and donations	248.00	300.00	390.00	421.00	0.30	0.40
	Grants and subsidies	3451.00	3700.00	3700.00	3856.00	0.00	0.04
	Other	2451.00	4500.00	4600.00	4565.00	0.02	0.01
Total		9692.00	14000.00	14210.00	14353.00	0.33	0.46
Percentage of finance							
	External loans	0.37	0.39	0.39	0.38	0.01	0.00
	Public contributions and donations	0.03	0.02	0.03	0.03	0.92	0.87
	Grants and subsidies	0.36	0.26	0.26	0.27	0.00	0.09
	Other	0.25	0.32	0.32	0.32	0.07	0.03
Capital expenditure							
	Water and sanitation	1845.00	4300.00	4250.00	4256.00	-0.01	-0.01
	Electricity	1562.00	2400.00	2480.00	2453.00	0.03	0.02
	Housing	1243.00	2700.00	2800.00	2685.00	0.04	-0.01
	Roads and storm water	1352.00	1500.00	1400.00	1486.00	-0.07	-0.01
	Other	3690.00	3500.00	3450.00	3473.00	-0.01	-0.01
Total		9692.00	14400.00	14380.00	14353.00	-0.02	-0.01
Percentage of							

Capital Expenditure - Funding Sources: 2014/15 to 2015/16							
R' 000							
Details expenditure		2014/15	2015/16				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
	Water and sanitation	0.19	0.30	0.30	0.30	0.52	0.95
	Electricity	0.16	0.17	0.17	0.17	-1.50	-2.05
	Housing	0.13	0.19	0.19	0.19	-1.67	0.52
	Roads and storm water	0.14	0.10	0.10	0.10	3.00	0.87
	Other	0.38	0.24	0.24	0.24	0.64	0.72





## COMMENT ON SOURCES OF FINANCE

**Public Contributions and Donations** – Projects in this category are demand driven and therefore spending follows accordingly.

**Grants and Subsidies** – This category is mainly driven by capital DORA Grants. In terms of GRAP revenue is only recognized once the conditions of the grant had been met. The main reason for the under spending is the Public Transport Networks Grant. Only R93.1 million of the total unspent R149.45 million was approved by National Treasury to be rolled over to the 2016/17 financial year.

**Internally Generated Funding** – This category is mainly funded through Fuel Levy and the balance of the previous financial years' Capital Replacement Reserve cash balances.

### 5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: 2015/16			Variance: Current 2015/16	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Fishwater Flats WWTW Upgrade	87,000	103,914	115,750	-33%	-19%
Tarring of Gravel Roads	80,000	90,837	107,682	-35%	-14%
Nooitgedagt/Coega Low Level System	72,103	85,103	76,719	-6%	-18%
Sport and Recreational Facilities - Mayoral Project	54,500	50,400	41,980	23%	8%
Public Lighting	16,000	16,000	38,324	-140%	0%
* Projects with the highest capital expenditure in Year 0					

<b>Fishwater Flats WWTW Upgrade</b>	
Objective of Project	To upgrade the treatment works to treat raw influent sufficiently and effectively. To treat the raw influent to the required standards and legislation. To produce an effluent in accordance with the standards.
Delays	Weather EME's Existing services positions are unknown
Future Challenges	Financial provisions per financial year is limited
Anticipated citizen benefits	Proper service delivery Treatment of raw influent
<b>Tarring of Gravel Roads</b>	
Objective of Project	To eliminate the huge tarring backlog in the Metro with emphasis on previously disadvantaged areas.
Delays	SMME project stoppages & community stoppages.
Future Challenges	Insufficient budget to meet objectives.
Anticipated citizen benefits	Upliftment of residential areas.
<b>Nooitgedagt/Coega Low Level System</b>	
Objective of Project	The objective is to upgrade the Nooitgedagt WTW and increase its treatment and transfer capacity. In the 2015/16 financial year work relating to Phase 2 of the project was performed.
Delays	Delays to the civil works occurred which in turn delayed the Mechanical and Electrical installation contracts. Delays incurred can be attributed to inclement weather, EME's and unforeseen site conditions.
Future Challenges	No future challenges expected
Anticipated citizen benefits	Higher level of water supply security and the alleviation of water restrictions
<b>Sport and Recreational Facilities - Mayoral Project</b>	
Objective of Project	To provide acceptable Sports and Recreational Facilities for the residents of NMBM
Delays	Many delays within the projects was caused by the Local SMME S and also the late appointment of the Consultants, the outstanding works must also be completed, ie planting of grass on the newly fenced Sports Fields

Future Challenges	Projects being stopped by SMME s
Anticipated citizen benefits	Part time employment will be created with the Wards, and the Citizens will enjoy the new and Upgraded Facilities
<b>Public Lighting</b>	
Objective of Project	This project entails replacing vandalised and damaged lighting infrastructure, installation of energy efficient lighting and installtion of new streetlights.
Delays	Lack of existing formal streetlighting tender. Smaller contractors has to be utilized to fill the gap.
Future Challenges	New a full 20 year streetlighting recapitalised tender.
Anticipated citizen benefits	Safer living environment.
T 5.7.1	

### COMMENT ON CAPITAL PROJECTS:

**Fishwater Flats Waste Water Treatment Works** – Due to SCM challenges experienced in 2014/15, certain contracts were only awarded in 2015/16. Therefore, savings had to be identified within Infrastructure and Engineering to accommodate these contracts. Additionally, work on the rehabilitation contract accelerated, as well as high valued mechanical equipment that was received and installed.

The Adjustments Budget for **Tarring of Gravel Roads** was increased due to the Carry-over of Internal funds from the 2014/15 financial year. This was approved by Council as part of the Adjustments Budget. Savings on other projects allowed the Directorate to accelerate works in the 2015/16 financial year. Future budget requirements will be determined by ward priorities.

**Nooitgedagt/Coega Low Level System** - It was anticipated that the work on the civil contract would accelerate over the last few months of the financial year. Therefore savings were identified on the Adjustments Budget in order to increase the budget on this project. However, delays were experienced when it was discovered that sub-standard materials were received on site and then returned to the manufacturer.

**Sport and Recreational Facilities - Mayoral Project** – This project focused on the fencing of Sportsfields during the 2015/16 financial year. The delays experienced within the project was caused by the Local SMME unrest and also due to the late

appointment of the Consultants, Outstanding works to be completed, include planting of grass on the newly fenced Sports Fields

**Public Lighting** – Apart from the planned work, vandalism that occurred throughout the metro caused an increase in spending in the 2015/16 financial year. Future budget requirements will be determined by ward priorities.

## **5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS**

### **GROWTH AND MAINTENANCE/HISTORICAL BACKLOGS**

Maintenance comprises two components: operational maintenance and capital maintenance backlogs. The Municipality aims to eliminate backlogs over a ten-year period.

Comprehensive studies have been undertaken to quantify the institutional backlogs. Based on the findings, large portions of the Municipality's Capital Budget have been allocated to maintenance backlogs. The extent of the capital backlog is summarised below:

## BACKLOGS AND ASSOCIATED BUDGET IMPLICATIONS

Operating Budget Requirements	Total Operational Maintenance Backlog	Annual Requirement to eliminate Backlog	Operating Budget 2013/14	Operating Budget 2014/15	Operating Budget 2015/16	Operating Budget 2016/17
<b>Water</b>	<b>627,816,695</b>	<b>125,563,339</b>	<b>135,171,940</b>	<b>155,285,970</b>	<b>167,681,090</b>	<b>181,065,300</b>
Water Pump Stations	23,372,730	4,674,546	19,684,550	22,185,260	23,959,990	25,875,830
Water Reticulation	510,270,769	102,054,154	84,261,580	93,264,130	100,745,080	108,823,290
Water Treatment Works	57,295,705	11,459,141	8,214,640	14,484,750	15,637,770	16,882,690
Reservoirs, Water Towers, Break Pressure Tanks	21,519,671	4,303,934	507,900	507,900	507,900	507,900
Dams	2,408,320	481,664	5,272,910	6,180,100	6,673,370	7,206,030
Bulk Water Supply Mains	12,949,500	2,589,900	17,230,360	18,663,830	20,156,980	21,769,560
<b>Sanitation</b>	<b>561,579,562</b>	<b>112,315,912</b>	<b>144,663,610</b>	<b>157,607,930</b>	<b>172,064,880</b>	<b>185,644,310</b>
Waste Water Treatment Works	142,752,104	28,550,421	24,586,030	27,395,390	29,270,030	31,169,000
Sewerage Pump Stations	29,725,320	5,945,064	29,142,130	32,469,140	37,234,050	40,471,970
Sewerage Network	389,102,138	77,820,428	90,935,450	97,743,400	105,560,800	114,003,340
<b>Road &amp; Stormwater</b>	<b>142,000,000</b>	<b>28,400,000</b>	<b>101,072,820</b>	<b>113,104,110</b>	<b>114,590,640</b>	<b>121,466,350</b>
Subsidised Roads	17,000,000	3,400,000	6,092,780	11,458,360	6,845,880	7,256,660
Non-Subsidised Roads	74,000,000	14,800,000	44,549,450	47,105,860	49,932,240	52,928,210
Maintenance of Stormwater Facilities	51,000,000	10,200,000	50,430,590	54,539,890	57,812,520	61,281,480
<b>Electricity and Energy</b>	<b>600,000,000</b>	<b>120,000,000</b>	<b>48,245,870</b>	<b>53,544,030</b>	<b>57,562,050</b>	<b>62,120,610</b>
Distribution Network Assets	600,000,000	120,000,000	48,245,870	53,544,030	57,562,050	62,120,610
<b>TOTAL</b>	<b>1,931,396,257</b>	<b>386,279,251</b>	<b>429,154,240</b>	<b>479,542,040</b>	<b>511,898,660</b>	<b>550,296,570</b>

Capital Budget Requirements	Total Capital Refurbishment Backlog	Annual Requirement to eliminate Backlog	Capital Budget 2014/15	Capital Budget 2015/16	Capital Budget 2016/17
<b>Water</b>	<b>627,816,695</b>	<b>125,563,339</b>	<b>75,900,000</b>	<b>73,400,000</b>	<b>71,500,000</b>
Water Pump Stations	23,372,730	4,674,546	3,000,000	10,000,000	5,000,000
Water Reticulation	510,270,769	102,054,154	29,000,000	25,000,000	34,000,000
Water Treatment Works	57,295,705	11,459,141	25,000,000	18,000,000	13,000,000
Reservoirs, Water Towers, Break Pressure Tanks	21,519,671	4,303,934	7,400,000	9,400,000	8,500,000
Dams	2,408,320	481,664	2,500,000	2,000,000	2,000,000
Bulk Water Supply Mains	12,949,500	2,589,900	9,000,000	9,000,000	9,000,000
<b>Sanitation</b>	<b>561,579,562</b>	<b>112,315,912</b>	<b>35,700,000</b>	<b>41,900,000</b>	<b>47,500,000</b>
Waste Water Treatment Works	142,752,104	28,550,421	23,600,000	28,400,000	30,400,000
Sewerage Pump Stations	29,725,320	5,945,064	-	-	-
Sewerage Network	389,102,138	77,820,428	12,100,000	13,500,000	17,100,000
<b>Roads and Stormwater</b>	<b>2,192,000,000</b>	<b>438,400,000</b>	<b>101,750,000</b>	<b>116,781,969</b>	<b>122,600,000</b>
Rehabilitation of Tar Roads and Tarring of Gravel Roads	1,476,000,000	295,200,000	57,800,000	57,000,000	81,500,000
Resurfacing of Subsidised Tar Roads	69,000,000	13,800,000	2,500,000	2,500,000	2,500,000
Resurfacing of Non-Subsidised Tar Roads	158,000,000	31,600,000	4,000,000	4,000,000	4,000,000
Rehabilitation of Stormwater Facilities	133,000,000	26,600,000	34,950,000	51,281,969	31,600,000
Bridges and Culverts	356,000,000	71,200,000	2,500,000	2,000,000	3,000,000
<b>Electricity and Energy</b>	<b>514,435,000</b>	<b>102,887,000</b>	<b>50,000,000</b>	<b>51,045,800</b>	<b>46,666,600</b>
Major Substations	45,935,000	9,187,000	13,000,000	15,000,000	15,000,000
Distribution Substations	277,000,000	55,400,000	23,000,000	20,000,000	17,000,000
Line refurbishment	191,500,000	38,300,000	14,000,000	16,045,800	14,666,600
<b>TOTAL</b>	<b>3,895,831,257</b>	<b>779,166,251</b>	<b>263,350,000</b>	<b>283,127,769</b>	<b>288,266,600</b>

Urban Settlements Development Grant (USDG)* Expenditure Year 2015/16 on Service backlogs					
R' 000					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjust-ments Budget
<b>Infrastructure - Road transport</b>					
Roads, Pavements & Bridges	80,000	80,000	107,682	135%	135%
Storm water					
<b>Infrastructure - Electricity</b>					
Generation					
Transmission & Reticulation					
Street Lighting	16,000	16,000	21,227	133%	133%
<b>Infrastructure - Water</b>					
Dams & Reservoirs		25	228		911%
Water purification	40,000	28,740	34,027	85%	118%
Reticulation	118,603	148,338	146,969	124%	99%
<b>Infrastructure - Sanitation</b>					
Reticulation	103,800	108,080	89,838	87%	83%
Sewerage purification	133,000	128,120	140,588	106%	110%
<b>Infrastructure - Other</b>					
Human Settlements - Services	175,108	175,108	176,128	101%	101%
Human Settlements - Construction of Toilets - Operating Budget	45,015	45,015	22,925	51%	51%
Bucket Eradication Programme	27,000	10,600	1,988	7%	19%
Water - Improve access roads	1,000	500		0%	0%
Sanitation - Access Roads Upgrade	1,000			0%	
Public Health - Development of Public Open Spaces	2,000	2,000	2,000	100%	100%
Waste Management					
Transportation					
Gas					
<b>Other Specify:</b>					
14% VAT on Totl Conditional Grant	103,954	103,954	102,882	99%	99%
<b>Total</b>	<b>846,480</b>	<b>846,480</b>	<b>846,480</b>	<b>100%</b>	<b>100%</b>

## **COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT**

### **INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENT**

NMBM had a major cash flow challenge during the period 2010/11 to 2011/12 and had introduced daily cash flow management. Cash flow is determined from historic trends and assumptions in respect of over flow of expenditure from one year to another are determined. Therefore payments to be accrued for example to the 2014/15 year budget, but are paid during the 2015/16 year are taken into account in determining the cash flow for the 2015/16 financial year. At the same time an estimation is made of what portion of the 2015/16 budget will only be paid in the 2016/17 year for services rendered and goods received in the 2015/16 financial year. This differs from the national Treasury approach to only take into account the budget year for determining cash flow. Especially in the case of capital expenditure where the budget may materially differ from one year to another the NMBM methodology is more secure especially in a cash challenge situation.

NMBM determine the actual cash flow for each expenditure and revenue category. Non-cash line items and categories are eliminated where appropriate. Further NMBM do not include the value budgeted for interest on outstanding debtors as this revenue source normally exists of long outstanding debts which are regarded as doubtful and therefore limited possibility of being converted into cash.

Cash flow in respect of the statement of financial position such as provisions (Post retirement benefits) and creditors (Provision for leave pay) are also taken into consideration when determining cash flow.

NMBM plans its investment around the cash needs of the NMBM. Take into consideration when revenue is due in respect of all revenue categories. The same applies to capital expenditure and the operational categories.

The cost coverage are being managed and calculated monthly to determine whether risk indicators are present.

All cash available are invested in accordance with the Cash and investments policy of Council.

## 5.9 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	2014/15	Current: 2015/16		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Receipts				
Ratepayers and other	6,138,982	6,547,926	6,663,557	7,348,883
Government – operating	1,173,071	1,355,719	1,454,915	1,206,016
Government – capital	999,637	1,093,822	887,694	932,291
Interest	222,532	70,045	82,070	3,996
Dividends	291	0	0	77
Payments				
Suppliers and employees	-6,901,887	-6,889,818	-7,158,440	-7,324,471
Finance charges	-208,595	-168,361	-170,896	-168,838
Transfers and Grants	-23,392	-27,993	-33,015	-105,376
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	1,400,638	1,981,340	1,725,884	1,892,577
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipts				
Proceeds on disposal of PPE			-6,208	
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments	-1,451,120	-1,596,933	-1,718,889	-1,621,817
Capital assets	-1,451,120	-1,596,933	-1,725,096	-1,621,817
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>				



Cash Flow Outcomes				
R'000				
Description	2014/15	Current: 2015/16		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Receipts				
Short term loans				
Borrowing long term/refinancing			16,524	
Increase (decrease) in consumer deposits				
Payments	-111,777	-104,093	-104,093	-104,093
Repayment of borrowing	-111,777	-104,093	-87,568	-104,093
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>				
	-162,259	280,314	-86,780	166,667
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	1,608,097	1,445,839	1,445,839	1,445,839
Cash/cash equivalents at the year begin:	1,445,839	1,726,153	1,359,058	1,612,505
Cash/cash equivalents at the year end:				
Source: MBRR A7				

### COMMENT ON CASH FLOW OUTCOMES

Cash and cash equivalents at year-end increased from a relatively low level of R427.66 million in 2010/11 to R 1.61 billion in the 2015/16 financial year. The cash flow however decreased from the 2013/14 financial year by R162.56 million from R1.61 billion to R1.45 billion in the 2014/15 financial year. The cash flow however recover back to the R1.61 billion as at 30 June 2016

This decline in cash flow was observed during the 2014/15 financial year and resulted in various budget expenditure reduction strategies being introduced and/or under investigation and was to a larger extent incorporated into the 2015/16 MTREF and has assisted in recovering back to the R1.61 billion.

The finalization of the Operations Efficiency Policy should further enhance the recovery in the cash flow position. National Treasury views a 3 month cost coverage ratio as critical from a financial sustainability perspective. The Pre-audited

Consolidated Annual Financial Statements reflects a cost coverage ratio of only 2.09 months indicating that NMBM still faces short to medium term challenges in respect of cash flow.

Due to improved cash flow balances and adjustments to the interest rate for investment purposes more interest was earned than anticipated. Also to note is that finance costs are decreasing due to no additional borrowing.

### **Components of the Cash Flow outcomes:**

#### **Cash flow from operating activities**

Revenue from Services did not increase at the same rate as the tariff increases over the last five financial years due to a reduced consumption levels and increased water and electricity unit losses despite implementing loss mitigating and reduction measures. The fact that the 14 high energy users have not paid electricity at the approved tariff has had a detrimental impact on the cash recovered for services rendered. The subsequent outcome of negotiations with the high energy users will have a material impact on electricity revenue and will require other users to either subsidise the loss of revenue or will require further budgetary reductions that will negatively impact on NMBM's ability to deliver quality services. The actual debtors' collection rate was 91.4%, compared to the budgeted collection rate of 94%.

Due to the investment portfolio being boosted once again with Unspent Conditional Grants not being fully spent and interest rates being slightly higher than anticipated at budget preparation time the interest earned was approximately R31.28 million more than anticipated in the 2015/16 Adjustments Budget. Lower than anticipated spending on capital projects in the amount of R257.66 million also contributed towards the higher cash balance than anticipated. The risk is that a large portion of the cash balance as at 30 June 2016 could already be committed to projects for which the cash outflows have been delayed from one year to another.

It need to be noted that the Audited Consolidated Annual Financial Statements - Cash Flow Statement under the “Actual 2016” Cash receipts from ratepayers, government and other” has only included the interest earned by the municipal entity (MBDA) and not NMBM. The interest earned under instruction of the Office of the Auditor-General has been incorporated under” Sale of goods and services, fines and taxes levied”

Finance charges was in line with the budget provision.

Operating grants was lower than anticipated due to Housing Top Structure Grant Funding being received or claimed from the Eastern Cape Provincial Government.

**Cash flows from Investing Activities:**

Consist mainly of the acquisition and the creation of assets. Capital payments were 257.66 million lower than anticipated, as all the DORA Grant funding and other revenue sources was not spent as at 30 June 2016.

**Cash flows from Financing Activities:**

Consist mainly of the repayment of external borrowing, which continues to decrease as no borrowing is anticipated over the 2016/17 MTREF.

Cash and cash equivalents increased from R1.58 billion in 2012/13 to R1,61 billion in 2013/14. The increase in 2013/14 only amounted to R28.7 million, compared to R365.9 million in the 2012/13 financial year. It is however important to note that the cash balance of unspent conditional grants at at 30 June decreased from R479 million in 2013/14 to R244.4million in 2014//15. It then increased to R375.47 million in 2015/16. The accrued values as at 30 June decreased from R260.76 million in 2013/14 to R171.31 million in 2014/15 and then increased to R201.68 million in 2015/16. It already indicates that during July and August 2016 approximately R174

million of the cash balance as at 30 June was spend on Grant funded projects in respect of the 2015/16 financial year.

## 5.10 BORROWING AND INVESTMENTS

### INTRODUCTION TO BORROWING AND INVESTMENTS

#### Borrowing:

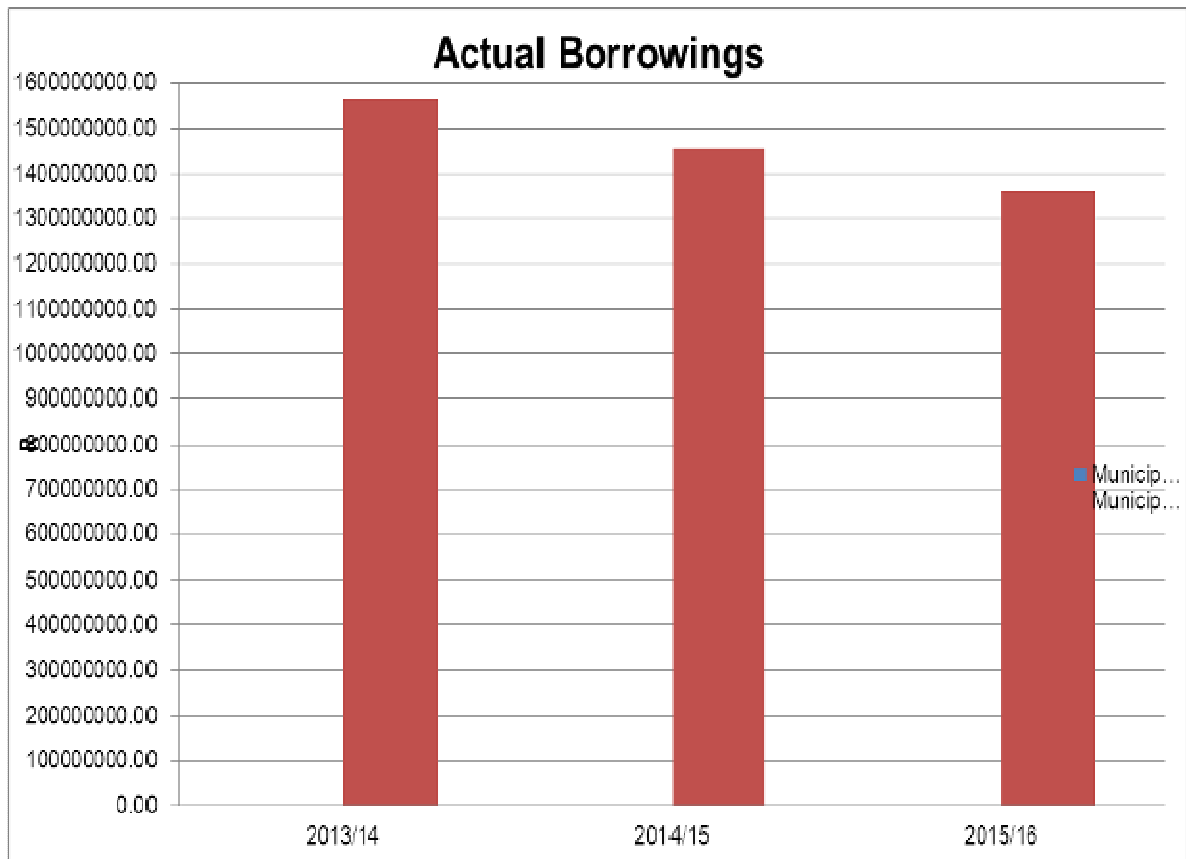
The level of borrowing has reached above the optimum affordability level for the NMBM and therefore no new borrowing was taken up since the 2009/10 financial year. No further borrowing will be taken up during the 2016/17 MTREF.

#### Investments:

Investments are made on a short term (3 months or less depending on cash flow level) basis and in terms of the Cash management and Investment Policy. The available cash are invested at various financial institutions and consist of only bank deposits. **Once the short and medium term has been secured from a cash flow perspective, longer term investments will be evaluated to be implemented without increasing the risk from a cash flow perspective to the Municipality.**

Actual Borrowings: 2013/14 to 2015/16			
R 000			
Instrument	2013/14	2014/15	2015/16
Municipality			
Long-Term Loans (annuity/reducing balance)	1,563,357	1,456,393	1,360,123
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			

<b>Actual Borrowings: 2013/14 to 2015/16</b>			
R 000			
Instrument	2013/14	2014/15	2015/16
Other Securities			
Municipality Total	1,563,357	1,456,393	1,360,123
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0.00	0.00	0.00



Municipal and Entity Investments			
R' 000			
	2013/14	2014/15	2015/16
Investment* type	Actual	Actual	Actual
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	1,550,035	1,392,182	1,578,405
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other	2,527	2,715	2,470

Municipal and Entity Investments			
R' 000			
	2013/14	2014/15	2015/16
Investment* type	Actual	Actual	Actual
Municipality sub-total	1,552,562	1,394,896	1,580,875
Municipal Entities			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	58,062	53,657	34,100
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	58,062	53,657	34,100
Consolidated total:	1,610,624	1,448,553	1,614,975

## COMMENTS ON BORROWING AND INVESTMENTS

The NMBM Investments portfolio consists mainly of bank deposits at various financial institutions.

Since the 2009/10 financial year, no borrowing has been taken up, with no further borrowing planned, over the 2016/17 MTREF in view of financial affordability considerations.

The municipality does not have any short borrowing and / or bank overdraft.

No borrowing has been made by the Municipality to other Municipalities, Municipal entities, other organizations or governmental institutions.

## **5.11 PUBLIC PRIVATE PARTNERSHIPS**

The Nelson Mandela Bay Municipality had no Public Private Partnerships during the review period.

## **COMPONENT D: OTHER FINANCIAL MATTERS**

## **5.12 SUPPLY CHAIN MANAGEMENT**

### **Compliance and Guidelines**

The NMBM has the SCM Policy and is presently implementing same. There is also an Enterprise Development Policy that promotes the development of SMME's. These policies and practices assist in complying with the guidelines set out in the SCM Regulations.

#### **1. Number of officials that have achieved the prescribed Competencies.**

There are four (4) officials that have attended the required training of the required competencies and three (3) officials have attained the prescribed levels of competency.

#### **2. Number of officials that are yet to reach the necessary competency levels**

There is one official yet to reach the necessary competency level.

## **5.13 GRAP COMPLIANCE**

Entities are required to apply the Standards of GRAP where the Minister has determined the effective date. The Minister has determined the effective date for the Standards of GRAP outlined below (paragraph .09 of Directive 5) relating to the 2015/16 financial year:



GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associates
GRAP 8	Interests in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating Assets
GRAP 27	Agriculture
GRAP 31	Intangible Assets
GRAP 100	Discontinued Operations
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 105	Transfers of Functions Between Entities Under Common Control

GRAP 106	Transfers of Functions Between Entities Not Under Common Control
GRAP 107	Mergers

The above standards are currently applied by the Municipality, where applicable and no issues were raised in the prior year with regards to non-compliance in terms of GRAP standards of which we were not aware of at the time.

All Accounting Policies included in the AFS are aligned towards the GRAP Framework above and therefore no issues were raised in the prior year with regards to non-compliance on these Accounting Policies.

There have been new GRAP standards approved, but no effective date has been given by the Minister with regard to when it must be taken into account, hence not applicable for 2015/16 financial year.

# CHAPTER 6

## AUDITOR-GENERAL AUDIT FINDINGS

### COMPONENT A: AUDITOR-GENERAL'S OPINION OF FINANCIAL STATEMENTS (YEAR -1)

#### 6.1 AUDITOR-GENERAL'S REPORT: YEAR -1 (2014/15)

Auditor-General Report on Financial Performance Year 0	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
<p><b>Creditors – Exchange Transactions</b></p> <p>The municipality did not have an adequate system in place to ensure that all vacation leave is properly administered. As a result sufficient appropriate evidence could not be obtained to confirm that the staff leave creditor of R176.3 million (2014:R144,7 million) and the related employee cost expenditure, was correctly accounted for in terms of GRAP 25:</p> <p><i>Employee Benefits.</i> I was unable to confirm the balance by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the related account balances and classes of transactions.</p>	<p>The municipality will implement the necessary systems to properly account for vacation leave.</p> <p>Management will institute the necessary action to ensure an appropriate document management system for the administration of vacation leave.</p>

## **COMPONENT B: AUDITOR-GENERAL OPINION: YEAR 0**

### **6.2 AUDITOR-GENERAL'S REPORT: YEAR 0 (2015/16)**

<b>Auditor-General Report on Financial Performance Year 0</b>	
<b>Status of audit report:</b>	Qualified audit opinion.
<b>Non-Compliance Issues</b>	<b>Remedial Action</b>
<p>The municipality did not have adequate systems in place to identify and disclose all irregular expenditure incurred during the year as section 125 (2) (d) (i) of the MFMA. The irregular expenditure disclosed in note 44.2 to the financial statements was understated. Due to lack of systems, and non-availability of sufficient appropriate audit evidence for all awards, it was impracticable to determine the full extent of the understatement of irregular expenditure</p> <p>Consequently, I was unable to determine if any further adjustments were necessary to the closing balance of irregular expenditure disclosed at R3.37 billion (2015: R2.1 billion).</p>	See Below input for remedial action developed.

HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
1. All SCM files affecting current financial year <b>must</b> be kept at a centralised location with LIMITED ACCESS CONTROL whilst dealing with other fundamental problems (e.g Building extension, Budgets, etc.)	Short Term Solution (With immediate effect)	Complete SCM files to relocate to secure area with all necessary documentation where they must be scanned and filed.	SD (Acting) - SCM	SD - Budget & Financial Accounting	IA	CFO/CM/EXCO and B&T Standing Committee

HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
2. Periodic review of SCM or Tender files (in-house solution)	Short Term Solution (With immediate effect)	Establishment of fully-fledged unit within Budget & Treasury to review SCM files periodically: eg. Quarterly and Half-yearly. (This must commence with tenders already awarded for the period July to December 2016 and outcomes reported by 15 February 2017, Period 1 January to 31 March 2017 Outcomes reported by 15 March 2017; and period 1 April 2017 to 30 June 2017 Outcomes reported by 25 July 2017). Internal Audit Unit must also be ready to undertake the second review with their own resources.	SD - Budget & Financial Accounting	SD - SCM	IA	CFO/CM/EXCO and B&T Standing Committee

HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
3. There need to be a clear and practically implementable Standard Operating Procedure for SCM.	Long Term Solution (may take more than 6 months)	SOP to be aligned to the SCM policy, applicable legislation as well as the strategic imperatives of the Metro. This should also take into consideration the implications of the <b>Central Supplier Database (CSD)</b> .	SD - SCM	CFO (Acting)	EXCO	CFO/CM/EXCO/MPAC and B&T Standing Committee
		SOP should map the flow of tendering process with clear segregation of duties at each level				

HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
4. Operationalising the UIF+W Policy with immediate effect	Short Term Solution (With immediate effect)	Council has already approved the UIF+W Policy on the 1 December 2016, what is left is to market and operationalise the Policy across the institution. Identification and reporting on non-compliant matters must happen as and when they occur or are identified.	SD - Budget and Financial Accounting	N/A	N/A	CFO/CM/EXCO/MPAC and B&T Standing Committee



HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
5. Review of the SCM structure Unit and urgently fill critical vacancies that may be prioritised.	Short to Long Term	Clear job descriptions, performance agreements and key performance areas. Approval of the revised structure by Council in terms of the Municipal Systems Act (as Amended). Budget prioritisation process and other related HR processes, resulting to employment of suitable qualified employees in the SCM Unit.	SD - SCM/CFO and ED: Corporate Services	CM	N/A	CFO/CM/EXCO/MPAC and B&T Standing Committee

HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
6. Continuous training of SCM Staff members on the SCM Unit Standards or new SCM developments.	Short to Long Term	There must be no staff member that operates at the SCM Unit that does not possess at least the accredited Unit Standards that deal with SCM. SCM staff members must be always introduced to any new developments that relate to their field on a continuous basis.	SD - SCM/CFO and ED: Corporate Services	CM	N/A	CFO/CM/EXCO/MPAC and B&T Standing Committee

HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
7. SCM activities in the institution <b>must be</b> made to be "everybody's business".	Short Term Solution (With immediate effect)	Operationalise the Audit Controllers that only operate during the Audit period and rather operate continuously to be the contact / liaison person/s within the respective Directorates. Amend the JD's of Audit Controllers to incorporate Audit related matters that include SCM matters.	CFO & CM	EXCO	N/A	B&T Standing Committee / Mayoral and Council.

HOW TO DEAL WITH THE BASIS FOR QUALIFIED AUDIT OPINION 2015/16 - (i.e. IRREGULAR EXPENDITURE)						
RECOMMENDATION	SHORT / LONG TERM SOLUTION	MORE DETAILS ON RECOMMENDATIONS	RESPONSIBLE PERSON	1st REVIEWER	2nd REVIEWER	CONTINUOUS REPORTING OF OUTCOMES
<b>8. Consequence management</b>	Short Term Solution (With immediate effect)	If there are no consequences for failure continuously, it will be as good as closing shop and forget about all the controls and compliance matters. There must be consequences for resultant and continuous failures.	CFO & ED CORPORATE SERVICES	CM	MPAC	B&T Standing Committee / Mayoral and Council.

<b>Auditor-General Report on Service Delivery Performance: Year 0*</b>	
<b>Audit Report Status:</b>	There were no material findings on the usefulness and reliability of the reported information for the Development objective: Basic Service Delivery and Infrastructure Development that was selected for auditing by the Auditor General.

### **6.2.1 AUDITOR-GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 0 (2015/16)**

The Auditor-General's Report for the Nelson Mandela Bay Municipality for the 2015/16 financial year is herein attached as "Volume III" of this Annual Report.

### **6.2.2 COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0 (2015/16):**

In accordance with the *Public Audit Act, No. 25 of 2004*, Council has to consider the audit report within one month after its first sitting after the audit report has been submitted by the Auditor-General.

Detailed below are the responses, with reference being made to the paragraph numbering in the audit report:

#### **Basis for qualified opinion**

##### **Irregular expenditure**

6. The municipality has already commenced with dealing with the prior year Irregular Expenditure issues dating back to many financial years in order to deal with the Limitation of Scope issues and also irregular expenditure issues. Upon completion of the exercise the decision will be made on what to table to Council for approval or request for condonation from National Treasury in line with Section 170 of the Municipal Finance Management Act (56 of 2003).

Part of the plan is also to ascertain at mid-term the extent of any irregularities of the tenders awarded in the current financial year (2016/17) in order for this occurrence not to be repeated going forward.

The Municipality has also approved on the 1 December 2016 the **Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy** which will also assist in giving guidance on how these issues should / must be dealt with. The Policy will also assist in guiding on how to deal with all other “compliance related issues”.

### **Emphasis of matters**

#### **Restatement of comparative figures**

9. It is the intention of management to institute internal controls that can assist in preventing, detecting and correcting errors as and when they occur. One of the actions that can assist is to implement month end accounting activities (e.g. raising accruals monthly / performance monthly reconciliations including their reviews / prepare mini-financial statements, etc.), amongst other demands or processes.

The other important action that must be reported is the implementation of the new EMS system in line with mSCOA requirements which will have built in internal controls that will assist in preventing, detecting and correcting such errors.

When this system is implemented w.e.f. 1 July 2017 the plan is to be able to be in a position to prepare the Annual Financial Statements on an ongoing basis (month end).

#### **Fruitless and Wasteful expenditure**

10. The comments are noted however, it must be mentioned that the aim of the NMBM is to ensure that IPTS buses are operational from early in 2017. This will ensure that the fruitless and wasteful expenditure reported is dealt with accordingly.

### **Material losses and impairments**

11. Part of the actions already taken by the NMBM is the appointment of the service provider for enhancing revenue management of the municipality. The service provider started operating in late 2015/16 financial year.
12. The municipality has since implemented various strategies for dealing with the excessive water losses which, amongst others, include hiring Plumbers internally and also encourage residents to report “frequently” any identified water leaks.
13. The municipality has also appointed a service provider to identify and assist with losses in electricity and results relating to improvements are monitored on a monthly basis as reports on the progress thereof are reported monthly.
14. Part of the action/s to be taken as it relates to point “11” above is also to identify meters that are neither recording nor registered in the Billing System and progress will be monitored on an ongoing basis.

### **Significant Uncertainty**

15. The comments are noted.

### **Additional matter**

16. The comments are noted.

### **Unaudited disclosure notes**

17. The comments are noted.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

18. The comments are noted.

**Predetermined objectives**

- 19. The comments are noted.
- 20. The comments are noted.
- 21. The comments are noted.
- 22. The comments are noted.
- 23. The comments are noted.

**Basic Service Delivery and Infrastructure**

***Usefulness of reported performance information***

- 24. The comments are noted and it can be confirmed that going forward the issues raised will be attended to and any amendments to the SDBIP will be approved by Council / Mayor within the Financial Year concerned.

**Additional matters**

- 25. N/A

***Achievement of planned targets***

- 26. The comments are noted.

***Adjustment of material misstatements***

- 27. The comments are noted.

**Compliance with legislation**

- 28. The comments are noted.



***Annual financial statements***

29. The comments are noted and it must be noted that in order to improve going forward, as stated previously, the improved internally controls, monthly procedures and stringent reviews are to be undertaken. As also stated above implementing the new EMS / ERP system is to improve the situation as the AFS are not to be prepared manually.
30. Same as point 29 above.

**Strategic planning and performance management**

31. Comments are noted and as stated above any changes to the SDBIP will in future be approved within the financial year they relate to.
32. The comments are noted.

**Procurement and contract management**

33. The comments are noted.
34. The comments are noted and the matter will be addressed going forward.
35. The comments are noted and the matter will be addressed going forward.
36. The comments are noted and the matter will be addressed going forward.
37. The comments are noted and the matter will be addressed going forward.
38. The comments are noted and the matter will be addressed going forward.
39. The comments are noted and the matter will be addressed going forward.

- 40. The comments are noted and the matter will be addressed.
- 41. The comments are noted and the matter will be addressed.
- 42. The necessary procedures will be implemented to ensure effective contract management going forward.
- 43. The necessary procedures will be implemented to ensure effective contract management going forward.
- 44. The comments are noted and the matter will be addressed.
- 45. The matter will be attended going forward and necessary remedial actions be undertaken.
- 46. The matter will be attended going forward and necessary remedial actions be undertaken.
- 47. The matter will be attended going forward and necessary remedial actions be undertaken.

#### **Expenditure management**

- 48. The matter will be attended going forward and necessary remedial actions be undertaken.

#### **Consequence management**

- 49. The matter will be attended going forward and necessary remedial actions be undertaken.
- 50. The matter will be attended going forward and necessary remedial actions be undertaken.
- 51. It must be noted that currently there are disciplinary actions / measures that are in progress relating to certain employees / staff members with allegations that are being tested.

52. Same as point “51” above.

### **Internal control**

53. The comments are noted.

### **Leadership**

54. The comments are noted.

55. The comments are noted.

56. The comments are noted.

57. The comments are noted.

58. The comments are noted.

### **Financial and performance management**

59. The comments are noted and the internal control measures to be instituted have already been commented upon or previously explained.

60. The comments are noted and improvements will be implanted going forward.

### **Governance**

61. The comments are noted and the internal control measures to be instituted have already been commented upon or previously explained.

### **Investigations**

62. The comments are noted.

63. The comments are noted.

# APPENDICES

## APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE (AS AT 30 JUNE 2016)

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
ADAMS, I	PT	Infrastructure, Engineering and Energy	DA	75%	8%
ADAMS,TP	PT	Transport	DA	79%	0%
ARENDS, JA	PT	Safety and Security Services	DA	82%	0%
BAARTMAN, S	PT	Sports, Arts, Recreation and Cultural Services	ANC	86%	0%
BANGA, XS	PT	Transport	ANC	89%	0%
BELU, N	PT	Human Resources and Corporate Administration	ANC	96%	0%
BENYA, NC	PT	Human Settlements	ANC	93%	0%
BEST, JS				33%	0%
BIDDULPH, DN	PT	Sports, Arts, Recreation and Cultural Services	DA	71%	0%
BISSET, XC	PT	Safety and Security Services/ Municipal Public Accounts Committee(MPAC)	ANC	96%	0%
BOBANI, ME	PT	Public Health	UDM	75%	0%
BOOI, NM	PT	Safety and Security Services/ Public Health	ANC	96%	0%
BOOYSEN,M	PT	Sports, Arts, Recreation and Cultural Services	ACDP	32%	0%
BRUINTJIES, D	PT	Budget and Treasury Committee/ Public Health	ANC	93%	0%
BUNGANE, ML	PT	Human Settlements	ANC	100%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
CAPTAIN, RN	PT	Transport/ Municipal Public Accounts Committee(MPAC)	ANC	96%	0%
CEKISANI, B	PT	Infrastructure, Engineering and Energy	DA	89%	0%
COBO, N	PT	Sports, Arts, Recreation and Cultural Services	DA	68%	4%
DANO,LM	PT	Economic Development, Tourism and Agriculture	ANC	100%	0%
DASHWOOD,AP	PT		DA	81%	0%
DE ANDRADE, MJ	PT	Sports, Arts, Recreation and Cultural Services	DA	75%	0%
DESI, F	FT	Executive Mayors's Committee	ANC	100%	0%
DU PLESSIS,A	PT	Sports, Arts, Recreation and Cultural Services	DA	57%	4%
DU PLESSIS,N	PT	Human Resources and Corporate Administration/ Local Labour Forum	DA	92%	0%
DYANTYI, VG	PT	Economic Development, Tourism and Agriculture	ANC	93%	0%
FALTEIN,ML	PT			67%	0%
FENI,M	PT	Infrastructure, Engineering and Energy/ Municipal Public Accounts Committee(MPAC)	ANC	93%	0%
FIHLA,NB	PT			100%	0%
FILLIS,S	PT	Budget and Treasury Committee	DA	86%	0%
FRANS,V	PT	Human Resources and Corporate Administration/ Local Labour Forum	ANC	100%	0%
FRANS,KE	PT	Budget and Treasury Committee	ANC	86%	0%
FROLICK,SM	PT	Sports, Arts, Recreation and	ANC	89%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
		Cultural Services			
GANAN,NE	PT	Public Health	ANC	89%	0%
GANAN,T	PT	Public Health	ANC	96%	0%
GIBBON,AB	PT	Human Settlements	DA	75%	0%
GQABI,AP	PT	Human Settlements	ANC	57%	0%
GREYLING,FVN	PT	Transport	DA	75%	0%
HARNING,MEG	PT	Economic Development, Tourism and Agriculture/ Municipal Public Accounts Committee(MPAC)	ANC	82%	0%
HAYSELDEN,DA	PT	Budget and Treasury Committee	DA	64%	0%
HERMANS,ME	FT	Speaker	ANC	100%	0%
HODI,S	PT	Human Resources and Corporate Administration	ANC	89%	0%
HOTE,MS	PT	Infrastructure, Engineering and Energy	COPE	64%	4%
JACOBS,TM	PT	Economic Development, Tourism and Agriculture	ANC	96%	0%
JARVIS,ME	PT	Economic Development, Tourism and Agriculture/ Municipal Public Accounts Committee(MPAC)	DA	68%	0%
JIKEKA, W	PT	Human Settlements/ Local Labour Forum	ANC	89%	0%
JODWANA,MS	PT	Public Health	ANC	96%	0%
JODWANA,ZW	FT	Executive Mayors's Committee/ Economic Development, Tourism and Agriculture	ANC	100%	0%
JORDAAN,DA	FT	Executive Mayors's Committee	ANC	96%	0%
JORDAN,A	PT	Budget and Treasury Committee	DA	82%	0%
KAYSER,RC	PT	Budget and Treasury Committee	COPE	82%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
KIVEDO,BD	PT	Sports, Arts, Recreation and Cultural Services	DA	88%	4%
KLAAS,XT	PT	Human Settlements	DA	61%	0%
KOHL,K	PT	Public Health	DA	71%	0%
LAWACK,J	PT	Infrastructure, Engineering and Energy	DA	82%	0%
LENNARD,D	PT	Economic Development, Tourism and Agriculture	DA	7%	0%
LINDOOR,JS	PT	Budget and Treasury	DA	56%	4%
LOBISHE,B	FT	Executive Mayors's Committee/ Local Labour Forum	ANC	100%	0%
LOUW,TP	PT	Human Settlements	DA	61%	0%
MADLAVU,SD	PT	Sports, Arts, Recreation and Cultural Services	ANC	100%	0%
MADOLO,MJ	PT	Human Settlements	ANC	86%	0%
MAFANA, TB				100%	0%
MAFAYA,BN	PT	Safety and Security Services/ Municipal Public Accounts Committee(MPAC)	ANC	93%	0%
MAGWACA,NS	PT	Economic Development, Tourism and Agriculture	COPE	68%	0%
MALI,SK	PT	Human Settlements	DA	86%	7%
MAMA,AW	FT	Executive Mayors's Committee	ANC	89%	0%
MANTLA,MP	PT	Sports, Arts, Recreation and Cultural Services	ANC	93%	0%
MAPU,JN	PT	Infrastructure, Engineering and Energy	ANC	93%	0%
MARLOW,SR	PT	Economic Development, Tourism and Agriculture	DA	92%	0%
MATTHEE,BA	PT	Public Health	DA	82%	0%
MENEMENE.U	PT	Human Resources and Corporate Administration	ANC	89%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
METLAVAINIO, LN	PT	Budget and Treasury Committee	ANC	86%	0%
MFUNDA, ACG	FT	Executive Mayors's Committee	ANC	100%	0%
MHLOBISO, NJ	PT	Public Health/ Infrastructure and Engineering	ANC	100%	0%
MLOMO, L	PT	Public Health/ Transport	COPE	82%	0%
MTANGA, MC	PT	Human Resources and Corporate Administration/ Local Labour Forum	COPE	75%	0%
MOGATOSI, MK				54%	0%
MTIMKULU, SC	PT	Budget and Treasury Committee	ANC	93%	4%
MTWA, LC	PT	Human Settlements	ANC	100%	0%
MULLER, H	PT	Public Health/ Human Settlements	DA	79%	0%
MZILIKAZI, NB	PT	Sports, Arts, Recreation and Cultural Services	ANC	82%	4%
NAIDOO, PP	PT	Human Settlements	DA	92%	0%
NARAN, B	PT	Human Settlements/ Transport / Municipal Public Accounts Committee(MPAC)	ANC	96%	0%
NCAMANI, GMA	PT	Human Resources and Corporate Administration	DA	81%	0%
NCWADI, ZB	PT	Safety and Security Services/ Local Labour Forum	ANC	89%	0%
NDIDI, VB	PT	Human Settlements	ANC	100%	0%
NDLOVU, PM	PT	Public Health	ANC	100%	0%
NDONI, PS	FT	Executive Mayors's Committee	ANC	100%	0%
NGCOLOMBA, PH				80%	0%
NGQONDELA, B	PT	Safety and Security Services	DA	95%	0%
NKOSIYAPHANTSI, TP	PT	Budget and Treasury Committee	ANC	89%	0%
NOGANDA, TA				83%	0%



Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
NOMBIBA,BB	PT	Public Health	ANC	96%	0%
NOQOLI,TS	PT	Safety and Security Services/ Municipal Public Accounts Committee(MPAC)	DA	79%	4%
NTSHANYANA,KG	PT	Municipal Public Accounts Committee(MPAC)	COPE	86%	0%
NYIKILANA,A	PT	Infrastructure, Engineering and Energy	ANC	93%	0%
ODENDAAL,R	PT	Budget and Treasury Committee/ Municipal Public Accounts Committee(MPAC)	DA	86%	0%
QUKUBANA,LP	PT	Transport	ANC	100%	0%
QULUBA,NJ	PT	Public Health/ Transport	ANC	77%	0%
QUSHANI,T	PT	Transport	ANC	96%	0%
RAFANI,S				60%	0%
RAUTENBACH,G	PT	Safety and Security Services	DA	82%	0%
RIORDAN, G	FT	Executive Mayors's Committee/ Budget and Treasury Committee	ANC	90%	0%
ROBERTS,MCC	PT	Economic Development, Tourism and Agriculture	DA	61%	0%
RWEXWANA,S	PT	Transport	DA	79%	0%
SABANI,X	PT	Infrastructure, Engineering and Energy	ANC	100%	0%
SAULS,SL	PT	Public Health	DA	79%	0%
SEALE,ZJ	FT	Executive Mayors's Committee	ANC	100%	0%
SENEKAL,W	PT	Human Resources and Corporate Administration	DA	79%	0%
SIBEKO,FT	FT	Executive Mayors's Committee	ANC	96%	0%
SMITH,J	PT			82%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
SMITH,SP	PT	Infrastructure, Engineering and Energy	DA	75%	0%
SOUL,NS	FT	Executive Mayors's Committee/ Economic Development, Tourism and Agriculture	ANC	89%	0%
STEMELE,LB	PT	Human Resources and Corporate Administration/ Municipal Public Accounts Committee(MPAC)/ Local Labour Forum	ANC	93%	0%
STEYN,MG	PT	Transport/ Municipal Public Accounts Committee(MPAC)	DA	79%	0%
SUKA,L	FT	Chief Whip	ANC	96%	0%
TERBLANCHE,A	PT	Infrastructure, Engineering and Energy	DA	79%	0%
TERBLANCHE,PW	PT	Human Resources and Corporate Administration/ Local Labour Forum	DA	86%	0%
TOFILE,MZ				100%	0%
TONTSI,NR	FT	Executive Mayors's Committee/ Human Settlements	ANC	100%	0%
TROON,L	PT	Safety and Security Services	ANC	100%	0%
TSHAZIBANE,E	PT	Public Health	DA	75%	0%
TUTU,VJ				100%	0%
VAALTYN,WM	PT	Budget and Treasury Committee	ANC	100%	0%
VALAYDEN,GV	PT	Safety and Security Services	DA	61%	0%
VAN DE LINDE,FA	PT	Public Health	DA	79%	0%
VAN STAADEN,H	PT	Transport	DA	79%	0%
VENA,MF	PT	Human Resources and Corporate Administration	ANC	100%	0%
VIKA, L				100%	0%

Councillors, Committes Allocated and Council Attendance					
Council Members	Full Time/ Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
WRIGHT, BF	PT	Human Resources and Corporate Administration	DA	75%	0%
WYLDE,RH	PT	Economic Development, Tourism and Agriculture	DA	82%	0%

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
Public Health	Addresses all matters relating to Environmental Health Services in terms of legislation and by-laws. The Fresh produce market and its concerns are included in this committee.
Sport, Recreation, Arts and Cultural Services	Considers all matters concerning the natural environment, parks & recreation centres, libraries, sport, arts and culture within the institution.
Infrastructure, Engineering & Energy	Addresses all matters concerning civil engineering, infrastructure (i.e.) roads, stormwater, sewerage, water services, etc. and monitoring as well as controlling electricity in the institution.
Safety & Security	Addresses all matters concerning Security Services, Disaster Management, Traffic Control as well as Fire services. All committee recommendations are submitted to the Executive Mayor.
Human Resources & Corporate Administration	Deals with all HR related matters as well as Administrative matters on an institutional level. (i.e.) Administrative matters - traveling of officials, cellphones, land lines, catering, etc.
Budget & Treasury	Financial planning both short and long term. This committee also monitors the functional performance of the institutional budget for NMBM.
Economic Development Tourism & Agriculture	Deals with all areas of operation that has bearing on economic development, tourism and / or agriculture in the NMBM geographical area.
Human Settlements	Attends to all Land related matters. (e.g.) purchase, hire, sale and lease of Council property for the intended purpose.
Municipal Public Accounts	Strengthens the oversight arrangements in the Municipality and ensures the efficient and effective use of municipal resources.
Bid Specification Committee	Develop specifications for each procurement process that NMBM engages upon.
Bid Evaluation Committee	Evaluate bids received according to a set criteria developed for the said committee.

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
Bid Adjudication Committee	Considers the Bid Evaluation Committee report and recommendations after which it makes a final award or a recommendation to the accounting officer if the delegation for a particular item is outside the scope of the committee.
Executive Mayor	To consider matters / proposals emanating from all Portfolio Committees and exercise his / her delegated authority thereon
Audit Committee	An independent advisory body that advises Council and the executive on matters related to Internal Control and Risks.

## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Office of the Chief Operating Officer (Chief Operating Officer: M Clay)	Director: Communications. Mr M Jikazana Director: Monitoring and Evaluation. Mr S Ndabeni; Director: Policy, Strategy & Research. Ms S Claasen / Ms A DowdKrause (Acting); Deputy Director: IDP, Mr Dunjana; Director: Legal Services. Mr T Motasi; Manager: International and Intergovernmental Relations. Ms N Sharnick / Mr D Jacobs (Acting) Chief Risk Officer. Mr B Bouwer (Acting) Uitenhage & Despatch. Vacant
Budget and Treasury (Chief Financial Officer : T Harper)	Snr. Accountant Budget & Treasury -- . Mr J. Ngcelwane Expenditure Management & Financial Control. Mr B De Scande; Revenue Management & Customer Care. Mr M Nogqala; Supply Chain Management. Mr N Mantyontya;
Electricity and Energy (Executive Director: Mr P. Neilson) Acting	Distribution. Mr C Hempel (Acting); Technical Services. Mr B Lamour (Acting); Projects. Mr T Fernadale (Acting); Retail & Commercial Management. Mr M Bukula
Economic Development, Tourism & Agriculture (Executive Director : Mr A Qaba)	Fresh Produce Market & Urban Agriculture. . <b>VACANT</b> ; Sector Developments. Ms L Mxenge; Strategic Projects. Ms A Buchner; Trade & Investment. Mr L. Nduvane Tourism. Ms B Nogqala
Human Settlements (Executive Director : <b>VACANT</b> )	Development & Support. Mr C Brummer; Housing Delivery. Mr M Mapu; Land Planning & Management. –D McCarthy - Seconded to COO's office Social Development, Education & Administration. Mr S Nogampula
Infrastructure and Engineering (Executive Director: Mr W Shaidi)	Design & Implementation. . <b>VACANT</b> ; Roads, Stormwater and Transportation. Mr Y Gaffore Support Services. Mr B Hutton; Water and Sanitation. Mr B Martin

<b>Third Tier Structure</b>	
<b>Directorate</b>	<b>Director/Manager (State title and name)</b>
Public Health (Executive Director: Mr A Tolom)	Environmental Health. Mr N Gumede; Environmental Management. Mr J Mkosana; Occupational Health, Safety & Wellness. . <b>VACANT</b> ; Parks & Cemeteries. Mr T Mokonyanya; Waste Management. Mrs A Dyakala
Safety and Security (Executive Director : Mr L Mti)	Disaster Management. Mr S Brown; Fire & Emergency Services. Mr A De Ridder; Security Services. .Mr Sibiya - Acting Traffic & Licencing Services. . <b>VACANT</b>
Special Programmes (Executive Director : . <b>VACANT</b> )	MURP. Mr S Mnyaka; Project, Consolidate / War on Hunger Coordinator. Mr J Sikazele; EPWP Coordinator.Mr M Ncwabeni (Acting) <b>VACANT</b>
Sports, Arts and Culture (Executive Director: Ms NL Nqwazi)	Beaches, Resorts & Support Services. Ms K Ngesi; Nelson Mandela Metropolitan Art Museum. Dr M Hillebrand; Red Location Museum. <b>VACANT</b> . ; Sport & Recreation. Ms C Williams; Libraries, Arts & Culture. Ms V Gwintsa
Corporate Services (Executive Director : Mr M Ndoyana on suspension) Ms V. Zitumane – (Acting deployee from COGTA)	Human Resources Management Services - Mr C Jamda;(on suspension) Mr T. Mgwanza (Acting – deployed by COGTA) Labour Relations - Mr M Mancotywa Corporate Human Resources - . <b>VACANT</b> Municipal Information System - Mr M Matokazi; Transformation Services - Ms T Mdaka; Asset Management (Ms T Nompandana); Corporate Admin Support Services - Mr S Javu; Facilities Management -. <b>VACANT</b> ; Constituency Services - Mr D Mbebe; Officer of the Speaker - Mr N Mqulwana Strategic Co-ordination & Programme Management (acting) - Ms V. Zeelie

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity/Agency (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	Yes	
Building regulations	Yes	
Child care facilities	N/A	
Electricity and gas reticulation	Yes	
Firefighting services	Yes	
Local tourism	Yes	As well as through Agency: Nelson Mandela Bay Tourism
Municipal airports	N/A	
Municipal planning	Yes	
Municipal health services	Yes	
Municipal public transport	Yes	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	N/A	
Stormwater management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	
Beaches and amusement facilities	Yes	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	Yes (Uitenhage) in conjunction with SPCA	



Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity/Agency (Yes / No)
Fencing and fences	Yes	
Licensing of dogs	N/A	
Licensing and control of undertakings that sell food to the public	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	Yes	
Municipal abattoirs	N/A	
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	The Municipality has one dog pound in Uitenhage	Function resides with SPCA
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
Inner-City renewal	No	Yes Entity: Mandela Bay Development Agency

## APPENDIX E – WARD REPORTING

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
1	<b>Cllr. R. Wyled</b> 1. Nosiphiwo Johnson 2. Kevin Lindsay Foster 3. Cingile Dikeni 4. Sakhekile E. Johnson 5. Nothini P. Johnson 6. Simphiwo Blou 7. Niville Witbooi 8. Disemba Blou 9. Thandeka L. Stemele 10. Yaziwe M. Mpolweni	YES	8	59	0
2	<b>Cllr. D Biddulph</b> 1. Khayaletu R. Makalima 2. Shirley N. Menziwa 3. Bapiwe Y. Yantolo	YES	0	29	0
3	<b>Cllr. D Hayselden</b> 1. Luyanda Zokufa 2. Luyoko Makwabe 3. Phakamisa Gaga 4. Simphiwe Dolwana 5. Philippus Potgieter 6. Themba Gxonono 7. Nombini Mtati 8. Nomathamsanqa Jakavula	YES	8	75	0
4	<b>Cllr. N Benya</b> 1. Mzukisi Ngcape 2. Mbulelo Tulman 3. Lungiswa J Mbambo 4. Ntombesizwe Didiza 5. Thenjiwe B Nombiba-Jakavula	YES	2	49	2

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
	6. Nceba Dywili 7. Mthunzikazi Vena 8. Endrich Velezweni				
5	<b>Cllr. Morne Steyn</b> 1. Mbulelo Dweni 2. Mike Nolakwe 3. Mzukisi Luzipho	YES	0	9	0
6	<b>Cllr. R Odendaal</b> 1. Grant Abbott 2. John Viera 3. Olwethu S. Makuwa 4. Koko July 5. Ntomboxolo Maheneza 6. Alan John Southwood 7. Louise Botha 8. Maneo Tsieane 9. Alexis Mc Fair	YES	0	2	0
7	<b>Cllr. C Roberts</b> 1. Melody Brander 2. Delphine Oliphant 3. <b>Stephan Cloete</b> 4. Henry H Van Wyk 5. Dudley Jacobs 6. Sue-Allen Bitterbos 7. Helen Africa 8. Hazel B Nelson 9. Roy Lucas 10. Steven Mlonyeni	YES	0	120	0
8	<b>Cllr. G Rautenbach</b> 1. Hester Eunice 2. Arthur G. Pienaar 3. Xola Jikela 4. Bridget Pienaar 5. Jessica Smith 6. Clifton Boyseen 7. Nonceba Kwinana 8. Elria Jordaan	YES	4	57	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
9	<b>Cllr. H Muller</b> 1. Graham Nosworthy 2. Xola Lupuwana 3. Fikile Magxaki 4. Luvuyo Mase 5. Nomazizi M. Tetyana	YES	0	27	0
10	<b>Cllr. M Von Buchenroder</b> 1. Nelie M. Oosthuizen 2. Janet Pullen 3. Brando Maitland 4. Abraham Isaacs 5. Ulanda Hoffman 6. Magdelene Booysen 7. Aviral Von Buchenrooder 8. Alec Damons 9. Jonathan Kannemeyer 10. Marchon Plaatjies	YES	12	96	0
11	<b>Cllr. I Adams</b> 1. Aloma Van Wyk 2. Shaun O Fondling 3. Geradine Wassin 4. Wayne L Jagers 5. Muriel M Edgar 6. Rodwin J Meyers 7. Jermaine Damons 8. Dudley Louw 9. Johannes Muller	YES	12	48	0
12	<b>Cllr. S Sauls</b> 1. Pearl Daniels 2. (Pastor) 3. Kassavan Padayachy 4. Severen Hutton 5. Chantel Vena 6. (never attend 7. Senobia De Bruyn 8. (never attend a meeting 9. Shinaaz Synman 10. Urica Yolanda Maroon 11. Peter J. Calvert	YES	12	63	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
13	<b>Cllr. N Du Plessis</b> 1. Dorothy Stuurman 2. Jerome Booysen 3. Mina Rensburg 4. Elton Jenneker 5. Eileen Brown 6. Kathleen Oliphant 7. Beulah Dickenson 8. Henry Fillis 9. Joellen Buys	YES	12	108	0
14	<b>Cllr Dyantyi</b> 1. Ntombomzi Yose 2. Thabisa Mnyanda 3. Nceba Salamntu 4. Lawrence Biko 5. Ayanda Mpongoshe 6. Ntombovuyo Jonas	YES	0	75	0
15	<b>Cllr Frans</b> 1. Mncedisi Mkweta 2. Barbara Mkalali 3. Mzukisi Dyani 4. Nosipiwo Thaba 5. Nokuzola Mbengashe 6. Thembile Kapi 7. Masabatha Selekane	YES	0	86	0
16	<b>Cllr Sabani</b> 1. Mbuyiseli Mdabe 2. Sakhiwo Mevana 3. Nompikiso Nyangwe/Mavata 4. Simphiwe Mketile 5. Noxolo Kwetana 6. Nomalady Jozana 7. Lungile Kolisi 8. Zukiswa Mayekiso	YES	0	97	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
17	<b>Cllr Captain</b> 1. Linda Gqomfa 2. Nomonde Mselane 3. Nocawe Waxa 4. Phakama Bobani 5. Nosebenzile Magodo 6. Notemba Tsili 7. Nonzame Menziwa 8. Xolelwa Nyeke 9. Nokuthula Moshi	YES	0	90	0
18	<b>Cllr Mzilikazi</b> 1. Phiweka Snam 2. Novuyo Sifumba 3. Nondumiso Sigwamba 4. Nomathemba Baart 5. Nombuyiselo Sambu 6. Lungiswa Mnyimba 7. Zamikhaya Singata	YES	0	105	0
19	<b>Cllr Jacobs</b> 1. Temba Mzantsi 2. Zukiswa Mfihlo 3. Nolili Ndabeni 4. Miliswa Jezile 5. Mirriam Grootboom 6. Lindile Kweta	YES	0	104	0
20	<b>Cllr Nombiba</b> 1. Nombulelo Ncethezo 2. Morris Ngabase 3. Phindiwe September 4. Vumile Vazi 5. Ncediswa Kwebulana 6. Yolisa Pali 7. Wendy Somzana 8. Michael Dick 9. Beauty Dubase	YES	0	94	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
21	<b>Cllr Jodwana</b> 1. Phakamisa Yamilé 2. Ntombikayise Kemele 3. Kholisile Stephans 4. Feziwe Dyan 5. Nonkoliseko Gwedashe 6. Zoliswa Sityebi 7. Xolani Mkonko 8. Victor Ngetu	YES	0	92	0
22	<b>Cllr Belu</b> 1. Vusumzi Ntamo 2. Ayanda Mafongosana 3. Florence Tontsi 4. Phumeza Mgijima 5. Thobelinkosi Sobopa 6. Nqabakazi Zuma 7. Simthembile Hoza	YES	0	97	0
23	<b>Cllr. Mthimkhulu</b> 1. Thelma Booï 2. Luyanda Mangangazana 3. Bukiwe Nolutshungu 4. Bukelwa Gqoboka 5. Nosandla Momane 6. Siyabulela Kobokana	YES	10	52	0
24	<b>Cllr Mantla</b> 1. Morcia Mankeya 2. Funeka Mhlobo 3. Nobathembu Monqo 4. Nolthando Myoli 5. Fikile Dakuse 6. Hilda Ntsamba/Nyodi 7. Mzimkhulu Selani 8. Thobile Mantambo 9. Phumeza Gadu 10. Helen Mkona	YES	0	104	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
25	<b>Cllr M Vena</b> 1. Thandeka J Tshanga 2. Thembekile Jacob 3. Sheilla Klaasen 4. Ellen Becket 5. Thembakazi F Josopu 6. Mandisi T Xakaxa 7. Nontsikelelo Cangci 8. Nokuzola M Martin 9. Phumzile M Kutse	YES	12	97	0
26	<b>Cllr. Hodi</b> 1. Siyabonga Qhebeka 2. Mteteleli Mboyi 3. Funeka Diamond 4. Luzuko Sati 5. Vuyelwa Marhini 6. Busisiwe Sume 7. Phatheka Msebi 8. Nomfundo Tsoko 9. Lulama Monelo	YES	12	61	0
27	<b>Cllr. X Bisset</b> 1. Mzukisi Ludwala 2. Nontuthuzelo Mali 3. Thozamile Tom 4. Lawrence Matomane 5. Mandla Jacobs 6. Ellen Peter 7. Andiswa Mahomba 8. Nosipho Judge 9. Teboho Ramatlapeng 10. Phindiwe Lungile	YES	9	55	0
28	<b>Cllr. B Mafaya</b> 1. Xolisa Dyosiba 2. Mzolisi Leve 3. Silumko Banda 4. Mbuyiselo Yiba 5. Sonwabo Nosilela 6. Hombakazi Nakase 7. Boniswa Nkibi	YES	12	86	0



Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
	8. Zwelitsha Maji 9. Babalwa Ngalo 10. Nolitha Ngwetsheni				
29	<b>Cllr. T P Louw</b> 1. K. W. Oogies 2. Happiness Mjekula 3. Frank Anthony 4. Mlindi Marmans 5. Cynthia F. Boezak 6. Zibele Maphundu 7. David A. Lyons 8. Nombuyekozo Mafu 9. John Arendse	YES	12	84	0
30	<b>Cllr. Makhi Feni</b> 1. Sizakele Mngamisa 2. Bukani Vakeli 3. Nomahlubi Limetyeni 4. Nobelungu Simana 5. Mxolisi Klaas	YES	9	44	0
31	<b>Cllr. P Naidoo</b> 1. Siphokazi Nonyongo 2. Edward Alexander 3. Amanda Alexander 4. Linda Batyi 5. Mthuthuzeli Vena 6. Tania Barendse 7. Zukisa Mankabane 8. Malusi Zozi 9. Gert Witbooi 10. Zeta Afrikander	YES	6	120	0
32	<b>Cllr. S Fillis</b> 1. Michael Damons 2. Noluthando Pink 3. Phumla Matthews 4. Msikeleli Nyimbiny 5. Zingiswa Tom 6. Mervin Jordaan 7. Nomawethu Kambi 8. Wilfred C. Van Sasie 9. Loyiso Mashexana 10. Mncedisi H. Leve	YES	8	120	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
33	<b>Cllr. D Bruintjies</b> 1. Nomvula B Nkone 2. Mandla S Mali 3. Sakhiwo Ngcolomba 4. Nonkosazana Monti 5. Mzwandile Sidina 6. Lindiwe L Mxube 7. Ntombizanele Kayi 8. Xolisile Ngcesha 9. Mbuyiseli Dolo 10. Thabo Dyosophu	YES	12	99	0
34	<b>Cllr. J A Arends</b> 1. Isaac Blouw 2. David Johnson 3. Racheal Minto 4. Phyllis Abrahams 5. Josephina Abrahams 6. Deidre Demingo 7. Mary Telling 8. Rookya Caesar 9. Elroy L Page 10. Priscilla Varnicker	YES	12	60	0
35	<b>Cllr. A Du Plessis</b> 1. Nadia Madatt 2. Marilyn Smith 3. Marchelle Jacobs 4. Abraham Matick 5. Charmaine Bibby 6. Marilyn Kieviets 7. Karen Kemp 8. Stafford Julies 9. Douglas Messiah	YES	12	84	0
36	<b>Cllr. N Poyo</b> 1. Vuyokazi V Made 2. Nondyebo Mnene 3. Alice N Mnyakana 4. Phakama Masele 5. Vuyiswa G Mani 6. Lungiswa Plaatjies 7. Matthews Gaxamba	YES	7	82	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
	8. Bonani Moz 9. Welile Nkohl				
37	<b>Cllr. S P Smith</b> 1. M.E.Majali 2. Thobani Konza 3. Alice N. Dwakaza 4. E.X. Toto 5. Simphiwe A. Mahote	YES	7	60	0
38	<b>Cllr. S R Marlow</b> 1. Siphokazi P May 2. Monde Nyushu 3. Thozama C Kona 4. Phumza Matutu 5. Thembisile Xhaphe 6. Wendy Kondlo 7. Nombulelo P Lukamba 8. Funelwa V Tyutyu	YES	12	96	0
39	<b>Cllr. MJ De Andrade</b> 1. Bonisile <avela 2. Qinisile Matikinca	YES	6	22	0
40	<b>Cllr. Qushani</b> 1. Thenjiwe E. Sizani 2. David Bili 3. Linda P. Bakaqana 4. Nosphiwo Mngqola 5. Nomatshayina Gqamane 6. Lindile E. Xokozima	YES	5	42	0
41	<b>Cllr. M Bungane</b> 1. Vuyokazi I Dapo 2. Ncedile E Sojuxwa 3. Vuyelwa Tangana 4. Tuliswa Zidepa 5. Lincon L Nquma 6. Xolani M Mabona 7. Nombulelo B Nosilela 8. Pumla P Maliza	YES	12	84	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
42	<b>Cllr A Gqabi</b> 1. Siphiso Sikwebu 2. Vuyane Rubunxa 3. Nonkoliseko Webb 4. Ntemi Frans 5. Luyanda Budaza 6. Vuyani Mc dana 7. Nompumelelo Tshaka 8. Lindiswa Tuys	YES	0	80	0
43	<b>Cllr T Gana</b> 1. Nombulelo Mbombo 2. Siyakhumbula Pikini 3. Viwe Gomomo 4. Sandile Konono 5. Nosipho Mdayi 6. Nompumelelo Msuthwana 7. Bukiwe Pamba 8. Bukelwa Vusani 9. Bukelwa Vusani	YES	0	83	0
44	<b>Cllr N Boo</b> 1. Nombasa Fonte 2. Ntombekhaya Mona 3. Misiwe Malunga 4. Lindelwa Gxekwa 5. Luzuko Ndamse 6. Nomfusi Qupe 7. Luyanda Koli 8. Mzoxolo Ngumbela 9. Xola Jafta	YES	0	87	0
45	<b>Cllr M Vaaltyn</b> 1. Maria Loock 2. Sabelo Mabuda 3. Rhoda Nel 4. Chisteline Hartlief 5. Milton Nyiki 6. Thantaswa Mafu 7. Nokuzola Mbengo 8. Thembinkosi Ndoni 9. Siphiso Plaatjies 10. Jerome Brown	YES	0	48	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
46	<b>Cllr L Qukubana</b> 1. Zingisani Mhlalela 2. Fatima Magwa 3. Nobathembu Ngesi 4. Mthunzi Jack 5. Thamsanqa Simakuhle	YES	0	40	0
47	<b>Cllr L Stemele</b> 1. Luvuyo Hase 2. Linda Erasmus 3. Dalithemba Kolo 4. Mzoxolo Jobo 5. Noroyi Thoba	YES	0	41	0
48	<b>Cllr K Kohl</b> 1. Mildred Jansen 2. Nompumelelo Hempe 3. Elliot Rontana 4. Gani Mhlakuva 5. Priscella Voorman 6. Terry Harker 7. Mbulelo Geswindt	YES	0	75	0
49	<b>Cllr F Van der Linde</b> 1. Letichia Jantjies 2. Gert Steenkamp 3. Don Rossouw 4. Georgen Miggels 5. Florence De Vos 6. Sandy Damons 7. Jurie Harris 8. Deon Zenza 9. Johannes Swartbooi	YES	0	77	0
50	<b>Cllr Z Ncwadi</b> 1. Zamide Belani 2. Nomakhuze Sikiwe 3. Luxolo Johnson 4. Nombulelo Magxaki 5. Margaret Beckett 6. Phumelele Jaji	YES	0	50	0
51	<b>Cllr P Terblance</b> 1. Zolani Willie	YES	0	12	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
52	<b>Cllr F Greyling</b> 1. Rosie Vrolik/Daaminds 2. Erika Ntombela 3. Dumalisile Speelman 4. Thembeke Msitshana 5. Tasneem Tola 6. Edward Khonzaphi 7. Wellington Mila	YES	0	55	0
53	<b>Cllr D Lennard</b> 1. Mark Paulse 2. Nomthandazo Komazi 3. Susanne Klaas 4. Harriet Kondile 5. Trevor Johnson 6. Godfrey Jacobs	YES	0	55	0
54	<b>Cllr. Nyikilana</b> 1. Lumkile Nogoboka 2. Siziwe Matshisi 3. Xolani Masumpa 4. Ntombizodwa Ntshontsho 5. Nomthandazo Nqam 6. Masixole Mfengu 7. Mzoxolo Phanda 8. Nobelungu Ganya 9. Brenda Mfanta 10. Winile Nyembezi	YES	12	92	0
55	<b>Cllr. Madolo</b> 1. Amanda Nqinileyo 2. Nonkululeko Badi 3. Nosiphiwo Masala 4. Phumelele Gubayo 5. Themba Haaketa 6. Thandeka Koboka 7. Mzuvukile Boti 8. Sibongile Ngele	YES	12	79	0
56	<b>Cllr. Menemene</b> 1. Thantaswa Jodwana 2. Nkosekhaya Dikana 3. Luzuko Tshiki	YES	12	22	0

Ward Name (number)	Name of ward councillor and elected Ward committee members	Committee established? Yes or no	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the ward committee unit	Number of quarterly public ward meetings held during the year
57	<b>Cllr. Nkosiaphantsi</b> 1. Nomawethu Gubayo 2. Jazmin Witbooi 3. Nomthandazo Scout 4. Nosipho Njana 5. Mzimasi Nyamakazi 6. Nozuko Monelo 7. Ntomboxolo Doli 8. Phumla Gubayo 9. Phakama Budaza	YES	12	89	0
58	<b>Cllr. Frans</b> 1. Mvulakazi Mafuduka Cezula 2. Nozicelo Gwala 3. Mphumezi Tsomo 4. Ncumisa Faku 5. Daluxolo Ntsinde 6. Nomakhwezi Ndabambi	YES	12	50	0
59	<b>Cllr. Dano</b> 1. Thembisa Ntantiso 2. Fezeka Rune 3. Mboneli Gunya 4. Siphiso Mboleka 5. Vusumzi Mantile 6. Nomfazwe Rula	YES	12	52	0
60	<b>Cllr. Gana</b> 1. Doris Stofile 2. Vuyisile Nelo 3. Nontembeko Somaza 4. Mzamo Sopazi 5. Siphiso Coto 6. Nomvuyiseko Jo 7. Nobomvu Mageza	YES	12	33	0

**APPENDIX F – WARD INFORMATION**

<b>METRO-WIDE</b>						
<b>Capital Projects: Seven Largest in 2015/16 (Full List at Appendix O)</b>						
<b>No.</b>	<b>Project Name and detail</b>	<b>Start Date</b>	<b>End Date</b>	<b>R' 000 Total Value</b>	<b>R' 000 2015/16 Adjustments Budget</b>	<b>R' 000 2015/16 Actuals</b>
1	Fishwater Flats WWTW Upgrade	May 2012	December 2028	1,658,210	115,438	115,750
2	Tarring of Gravel Roads	Tarring of gravel Roads is an ongoing projects which is implemented annually.	Tarring of gravel Roads is an ongoing projects which is implemented annually. Currently a major backlog exists for Tarring of Gravel Roads	There is no total value as the project is implemented annually with the budget that is made available.	109,192	107,681
3	Nooitgedagt/Coega Low Level System	March 2011	December 2019	1,080,000	78,058	76,870
4	Sport and Recreational Facilities - Mayoral Project	October 2015	Ongoing	Not available	52,025	42,083
5	Public Lighting	1993	Ongoing	Not available	49,612	53,915
6	Electrification of State Subsidised and Informal Houses	Ongoing Projects following the housing porogramme		Not available	37,332	37,810
7	System Enhancements - Various	01 August 2015	31 July 2018	52,337	70,000	35,714
		The Implementation of mSCOA is due to go live on the 30 June 2017 however the Project Award allows for a 3 year contract period.				



## CAPITAL AND OPERATING PROJECTS BUDGET BY WARD

<b>WARD 1 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: The Camp, The Gums, Hillside, Stone Kraal, Lake Farm, Oshry, Walmer Heights, Sappershoek, Sardinia Bay, Biermans Bult, Schoenmakerskop (Madiba Bay), Lovemore Park, Apron Strings, Salisbury Park, Miramar, Providentia, Pari Park, Pine Village, Southmead, Lovemore Heights, Heatherbank, Theescombe, Farms Port Elizabeth, Summerstrand, Mount Pleasant, Alington Race-track, Schoenmakerskop</b>				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20030030	Lorraine - Bulk Sewerage Augmentation	9,125,000	5,750,000	5,000,000
20050064	Augment Collector Sewer for Walmer Heights and Mt Pleasant	-	3,500,000	5,000,000
20060177	Driftsands Collector Sewer - Augmentation	450,000	7,000,000	10,000,000
20070234	Summerstrand Bulk Stormwater	2,200,000	-	-
20060020	Provision of Sidewalks	500,000	-	-
20010064	Beachfront Upgrading	300,000	300,000	300,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	260,000	-	-
	<b>Total Capital</b>	<b>12,915,000</b>	<b>16,550,000</b>	<b>20,300,000</b>
	<b>Projects on operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>13,115,000</b>	<b>16,550,000</b>	<b>20,300,000</b>

WARD 2 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Summerstrand, Craig Bain, Forest Hill, Brookes Hill, Victoria Park, Stuart Township, Humerail, Lea Place, Central, South End, Forest Hill/Military Base, Humewood, Central, Summerstrand Ext. 10				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20010064	Beachfront	300,000	300,000	300,000
20030421	Cemetery Development	400,000	400,000	500,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	600,000	-	-
20070234	Summerstrand Bulk Stormwater	19,800,000	-	-
	<b>Total Capital</b>	<b>21,180,000</b>	<b>700,000</b>	<b>800,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	MBDA - Vuyisile Mini Square Upgrade	3,000,000		
	MBDA - Tramways Building Redevelopment & Refurbishment - Phase 2/3	6,000,000		
	MBDA - Campanile Upgrade	5,000,000		
	MBDA - Acquisition of Immovable Property			
	<b>Total Capital &amp; Operating</b>	<b>35,380,000</b>	<b>700,000</b>	<b>800,000</b>

WARD 3 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Walmer, Athlone Park, Greenshields Park, King Edward Park, Walmer Heights, Walmer Downs, Robert Searle Park, Scotstown, St Georges Park, Hallack Road, Essexvale, Jutland, Mill Park, St Georges				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20100095	Upgrade Major Parks (St George's Park)	2,932,550	-	-
20060020	Provision of Sidewalks	350,000	550,000	-
19980266	Secure Municipal Parks Facilities	2,500,000		
20060110	Greenhouse Upgrade - Peter Gibbs Nursery	1,000,000	-	-
19980220	Traffic Calming Measures	100,000	-	-
19930283	Public Lighting	200,000	-	-
19980285	Upgrade Existing Sports Facilities - 9th Avenue Walmer Sports Field	2,500,000	2,250,000	-
19940204	IPTS - H103: Heugh Road (MR427) Widening (3rd Avenue to Wentworth)	10,000,000	10,000,000	-
	<b>Total Capital</b>	<b>19,582,550</b>	<b>12,800,000</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>19,782,550</b>	<b>12,800,000</b>	<b>-</b>

WARD 4 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Walmer, Beutler Way Complex, Walmer Industrial, Southdene, Airport, Area G South, "Area X, O and J", Gqebera (Walmer Township), Area C And E, Area G, Area N, Area N-East, Area P, Area Q (Phases 1 and 2), Forest Hill/Military Base				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20080163	Fountain Road Redevelopment	6,325,665	-	-
20110067	Industrial Site (Airport Valley) - Bulk Sewer	1,000,000	3,000,000	5,000,000
20050064	Augment Collector Sewer for Walmer Heights and Mt Pleasant	-	3,500,000	5,000,000
20060177	Driftsands Collector Sewer - Augmentation	450,000	7,000,000	10,000,000
20120047	Walmer Development - Human Settlement (Services)	33,205,160	15,000,000	35,000,000
19930264	Informal Housing Electrification	2,133,800	-	-
20130022	Relocation of existing electrical services	324,730	-	-
20150034	Upgrading of Fountain Road - Walmer Township	1,000,000	4,000,000	5,000,000
20060240	Theescombe / Gqebera Bulk Stormwater	27,000,000	10,000,000	-
20050286	Tarring of Gravel Roads	4,000,000	1,500,000	
20010362	Upgrade and Development of Public Open Spaces	-	-	500,000
20030421	Cemetery Development	400,000	400,000	500,000

WARD 4 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Walmer, Beutler Way Complex, Walmer Industrial, Southdene, Airport, Area G South, "Area X, O and J", Gqebera (Walmer Township), Area C And E, Area G, Area N, Area N-East, Area P, Area Q (Phases 1 and 2), Forest Hill/Military Base				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20100100	Playground Equipment	-	-	250,000
20050248	Bucket Eradication Programme - Container Toilets	2,550,000	-	-
19930283	Public Lighting	430,000	-	-
	<b>Total Capital</b>	<b>78,819,355</b>	<b>44,400,000</b>	<b>61,250,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	2,217,786	2,350,853	-
	<b>Total Capital &amp; Operating</b>	<b>81,237,141</b>	<b>46,750,853</b>	<b>61,250,000</b>

<b>WARD 5 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: North End, Sydenham, Prince Alfred's Park, Parsons Hill, Millard Grange, Glendinningvale, Mount Croix, Richmond Hill</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20043125	Upgrade of Community Halls	3,150,000	1,500,000	1,000,000
20060113	Upgrade and Restoration of Libraries	2,000,000	7,500,000	5,000,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	430,000	-	-
	<b>Total Capital</b>	<b>5,660,000</b>	<b>9,000,000</b>	<b>6,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>5,860,000</b>	<b>9,000,000</b>	<b>6,000,000</b>

WARD 6 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Fairview, Walmer Downs, Glen Hurd, Greenacres, Willowdene, Broadwood, Charlo, Overbaakens, Springfield, Bog Farm, Mangold Park, Fernglen, Newton Park				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20030030	Lorraine - Bulk Sewerage Augmentation	9,125,000	5,750,000	5,000,000
20090039	Fairview Refurbishment	2,000,000	2,500,000	2,500,000
19990144	Rehabilitation of William Moffett Expressway	-	-	1,000,000
20010023	Glen Hurd Drive Upgrading	-	3,000,000	11,000,000
20020073	Fairview/Lorraine Arterial: Montmedy to Overbaakens	-	-	500,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	330,000	-	-
	<b>Total Capital</b>	<b>11,535,000</b>	<b>11,250,000</b>	<b>20,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>11,735,000</b>	<b>11,250,000</b>	<b>20,000,000</b>

<b>WARD 7 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Mill Park, Korsten, Korsten Dry Lake, Neave Industrial Township, Schauderville, Adcockvale Extension, Mount Road, Newton Park, Kensington, Macleanville, Holland Park, Steytler Township, Adcockvale, Perridgevale, Greenacres, Parsons Hill, Scotstown, Westview, Linkside</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20130045	Upgrade and Rehabilitation of Korsten Dry Lake Area	400,000	-	-
20060020	Provision of Sidewalks	-	-	350,000
20010362	Upgrade and Development of Public Open Spaces	-	-	500,000
20050286	Tarring of Gravel Roads	1,000,000	-	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	210,000	-	-
	<b>Total Capital</b>	<b>1,690,000</b>	<b>-</b>	<b>850,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops			
	<b>Total Capital &amp; Operating</b>	<b>1,890,000</b>	<b>-</b>	<b>850,000</b>



WARD 8 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Lorraine, Kabega, Treehaven, Willowglen, Glenroy Park, Vikingvale, Ben Kamma, Beverley Grove, Pine Grove, Kamma Creek, Brymore, Hancorn, Kragga Kamma Park, Weybridge Park, Woodlands, Goldwater, Lorraine Manor, Kamma Park				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20030030	Lorraine - Bulk Sewerage Augmentation	9,125,000	5,750,000	5,000,000
19980323	Lorraine Stormwater Control	4,000,000	-	-
20060020	Provision of Sidewalks	-	-	350,000
20010362	Upgrade and Development of Public Open Spaces			1,000,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	330,000	-	-
	<b>Total Capital</b>	<b>13,535,000</b>	<b>5,750,000</b>	<b>6,350,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>13,735,000</b>	<b>5,750,000</b>	<b>6,350,000</b>

WARD 9 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Sunridge Park, Vergelegen, Linton Grange, Westering, Taybank, Moregrove, Westering, Framesby, Fernglen				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20042889	Linton: Additional Treatment Facility	-	4,000,000	2,000,000
19980220	Traffic Calming Measures	80,000	-	-
20060020	Provision of Sidewalks	350,000	-	-
19930283	Public Lighting	120,000	-	-
	<b>Total Capital</b>	<b>550,000</b>	<b>4,000,000</b>	<b>2,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>750,000</b>	<b>4,000,000</b>	<b>2,000,000</b>

WARD 10 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Gelvan Park, Glenhaven, Jarman, Springdale Extension 5, Parkside Extension 10, Bridgehaven Extension 11, Helenvale Extension 6, New Brighton, Schauderville, Korsten, Helenvale Extension 6				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20070215	IPTS Work Package: Pedestrian Bridges (Standford Road)	15,000,000	-	
19980220	Traffic Calming Measures	80,000	-	-
20060020	Provision of Sidewalks	350,000	-	-
19930283	Public Lighting	130,000	-	-
	<b>Total Capital</b>	<b>15,560,000</b>	<b>-</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops			
	<b>Total Capital and Operating</b>	<b>15,760,000</b>	<b>-</b>	<b>-</b>

WARD 11 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: New Brighton, Cradock Place, Korsten, Young Park, Kendle St (Industrial), Lindsay Road Industrial Township, Sidwell, Neave Industrial Township, Ferguson Township, Schauderville, Ibhayi, Algoa Park				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20050286	Tarring of Gravel Roads	1,000,000	-	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	120,000	-	-
	<b>Total Capital</b>	<b>1,200,000</b>	<b>-</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops			
	MBDA - Korsten / Schauderville Parks	2,000,000		
	<b>Total Capital and Operating</b>	<b>3,400,000</b>	<b>-</b>	<b>-</b>

WARD 12 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Parsons Vlei, Vergelegen, Hunters Retreat, Tulbagh, Glenhaven, Jarman, Bridgemeade, Francis Evatt Park, Wonderview, Morningside, Cotswold, Westering, Kabega Park, Malabar, Bethelsdorp				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20120059	Malabar Ext 6 Phase 2 - Human Settlement (Services)	15,884,230	-	-
20030017	Paapenkuils Canal Rehabilitation	500,000	1,500,000	500,000
20050286	Tarring of Gravel Roads	-	1,500,000	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	430,000	-	-
20050248	Bucket Eradication Programme - Container Toilets	850,000	-	-
	<b>Total Capital</b>	<b>17,744,230</b>	<b>3,000,000</b>	<b>500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	387,935	411,212	
	<b>Total Capital &amp; Operating</b>	<b>18,332,165</b>	<b>3,411,212</b>	<b>500,000</b>

WARD 13 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Helenvale Extension 6, Barcelona Helenvale, Bethelsdorp, Helenvale 5 Stage 2 and 3, Allan Heights Extension 12				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20050286	Tarring of Gravel Roads	-	1,500,000	-
19980220	Traffic Calming Measures	100,000	-	-
20060020	Provision of Sidewalks	350,000	-	-
19930283	Public Lighting	320,000	-	-
20050248	Bucket Eradication Programme - Container Toilets	2,550,000	-	-
	<b>Total Capital</b>	<b>3,320,000</b>	<b>1,500,000</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	710,579	753,213	-
	MBDA - Helenvale SPUU Capital Projects (KfW Germany )	20,902,692		
	<b>Total Capital &amp; Operating</b>	<b>25,133,271</b>	<b>2,253,213</b>	<b>-</b>

<b>WARD 14 - Ward is completely within the Urban Edge. The suburb within this Ward are the following: New Brighton</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20100104	Mendi Bottle Store Renovation	9,000,000	4,000,000	4,000,000
20060020	Provision of Sidewalks	-	350,000	-
20050286	Tarring of Gravel Roads	4,000,000	1,500,000	-
20010362	Upgrade and Development of Public Open Spaces	-	-	500,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	310,000	-	-
	<b>Total Capital</b>	<b>13,390,000</b>	<b>5,850,000</b>	<b>4,500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>13,590,000</b>	<b>5,850,000</b>	<b>4,500,000</b>

WARD 15 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: New Brighton, Boast Crescent, Mhlaba Silvertown, Red Location, Ibhayi, Masangwanaville Phase 2, Malakana Silvertown, Ibhayi, Silvertown New Brighton, Masangwanaville (Phase 3)				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
19930264	Informal Housing Electrification	1,929,500	-	-
20130022	Relocation of existing electrical services	293,640	-	-
20050286	Tarring of Gravel Roads	1,300,000	1,000,000	-
19930283	Public Lighting	535,000	-	-
20150062	Rivonia Trial Sculpture - Mayoral Project	8,000,000		
	<b>Total Capital</b>	<b>12,058,140</b>	<b>1,000,000</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	448,351	475,252	-
	MBDA - Singapi Rd Upgrade - Phase 2 and 3	20,000,000		
	<b>Total Capital and Operating</b>	<b>32,706,491</b>	<b>1,475,252</b>	<b>-</b>



WARD 16 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Ibhayi, New Brighton				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20120053	MK Silver 2 Qaqawuli - Human Settlement (Services)	27,000,000	-	-
19930264	Informal Housing Electrification	2,270,000	-	-
20130022	Relocation of existing electrical services	345,460	-	-
20060020	Provision of Sidewalks	350,000	350,000	-
20050286	Tarring of Gravel Roads	-	1,500,000	-
20100100	Playground Equipment	-	-	250,000
19980285	Upgrade Existing Sports Facilities	500,000	-	-
19930283	Public Lighting	475,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>31,162,460</b>	<b>2,072,000</b>	<b>630,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	483,329	512,329	-
	<b>Total Capital &amp; Operating</b>	<b>31,845,789</b>	<b>2,584,329</b>	<b>630,000</b>

WARD 17 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: New Brighton, Silvertown Pendla, Qaqawuli (Phase 1), Qaqawuli (Phase 2)				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060020	Provision of Sidewalks	500,000	350,000	350,000
20050286	Tarring of Gravel Roads	6,000,000	1,500,000	-
19980220	Traffic Calming Measures	100,000	-	-
19930283	Public Lighting	430,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>7,252,000</b>	<b>2,072,000</b>	<b>730,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	MBDA - New Brighton Swimming Pool Upgrade	5,000,000		
	<b>Total Capital and Operating</b>	<b>12,452,000</b>	<b>2,072,000</b>	<b>730,000</b>

WARD 18 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Railway Reserve W4, Madikana Informal Community, Kalipa Informal Community, Mandela Village, Ibhayi, Kwanoxolo New Brighton				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20110056	Swartkops Low Level Collector Sewer Upgrade	1,750,000	2,500,000	9,000,000
20050286	Tarring of Gravel Roads	200,000	1,500,000	-
20010362	Upgrade and Development of Public Open Spaces	400,000	500,000	-
19980220	Traffic Calming Measures	100,000	-	-
20100100	Playground Equipment	-	250,000	-
19930283	Public Lighting	280,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>2,952,000</b>	<b>4,972,000</b>	<b>9,380,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	MBDA - Other Township Projects, Kwazakele	6,619,290		
	<b>Total Capital and Operating</b>	<b>9,771,290</b>	<b>4,972,000</b>	<b>9,380,000</b>

WARD 19 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Informal Community, Endulwini Nkatha Informal Community, Ekuphumleni Informal Community				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20110056	Swartkops Low Level Collector Sewer Upgrade	1,750,000	2,500,000	9,000,000
20120031	Ekuphumleni - Kwazakhele - Human Settlement (Services)	13,288,430	-	-
20030427	Secure Recreational Buildings / Facilities	166,666	-	-
20050286	Tarring of Gravel Roads	1,300,000	1,500,000	-
20130040	Nkatha/Seyisi	1,500,000	1,100,000	-
19930283	Public Lighting	220,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>18,447,096</b>	<b>5,322,000</b>	<b>9,380,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>18,647,096</b>	<b>5,322,000</b>	<b>9,380,000</b>

WARD 20 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Ibhayi Informal Community (Includes KwaZakhele and Ndokwenza areas)				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060020	Provision of Sidewalks	850,000	-	550,000
20050286	Tarring of Gravel Roads	200,000	1,500,000	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	200,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>1,552,000</b>	<b>1,722,000</b>	<b>930,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	779,927	826,722	-
	<b>Total Capital &amp; Operating</b>	<b>2,531,927</b>	<b>2,548,722</b>	<b>930,000</b>

WARD 21 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Tambo Village, Madlingozi Informal Community				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20110056	Swartkops Low Level Collector Sewer Upgrade	1,750,000	2,500,000	9,000,000
19980285	Upgrade Existing Sports Facilities	-	-	4,500,000
20050286	Tarring of Gravel Roads	1,300,000	1,500,000	-
20010362	Upgrade and Development of Public Open Spaces		500,000	
19980220	Traffic Calming Measures	80,000	-	-
20130041	Raymond Mhlaba (Buyambo) - Human Settlement (Services)	4,065,420	-	-
19930283	Public Lighting	255,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>7,672,420</b>	<b>4,722,000</b>	<b>13,880,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>7,872,420</b>	<b>4,722,000</b>	<b>13,880,000</b>

WARD 22 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Kwazakhele, Railway Reserve W2, Zingisa Village, Thlaba Village				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
19990168	Njoli Square Redevelopment	4,458,282	17,543,860	21,929,825
20060020	Provision of Sidewalks	500,000	-	-
20050286	Tarring of Gravel Roads	-	1,500,000	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	260,000	-	-
20010362	Upgrade and Development of Public Open Spaces	300,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>5,820,282</b>	<b>19,265,860</b>	<b>22,309,825</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	635,959	674,117	-
	<b>Total Capital &amp; Operating</b>	<b>6,656,241</b>	<b>19,939,977</b>	<b>22,309,825</b>

<b>WARD 23 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: N.U. 2, N.U. 3, Ramaphose Village N.U.2</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20030427	Secure Recreational Buildings / Facilities	-	-	500,000
20030221	Office Accommodation -Ward Councillors	400,000	-	-
20050286	Tarring of Gravel Roads (Circles)	1,300,000	1,500,000	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	260,000	-	-
	<b>Total Capital</b>	<b>2,040,000</b>	<b>1,500,000</b>	<b>500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	651,858	690,970	-
	<b>Total Capital &amp; Operating</b>	<b>2,891,858</b>	<b>2,190,970</b>	<b>500,000</b>



WARD 24 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Kwazakhele, Soweto-On-Sea Informal Settlement, Mhlaba Village Area Y - Zwide, Sisulu Village, Eluxolweni (Vuku), Sharpeville, Masakana Village, Eselileni Informal Community, Cebo Village, Mayibuye Village (Phase 1), Silvertown Village Swartkops				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20120060	Masakhana Village - Human Settlement (Services)	7,000,000	-	-
20050286	Tarring of Gravel Roads	1,300,000	1,500,000	-
20010362	Upgrade and Development of Public Open Spaces	-	-	1,000,000
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	-	-	250,000
19930283	Public Lighting	230,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	222,000	222,000	380,000
	<b>Total Capital</b>	<b>8,832,000</b>	<b>1,722,000</b>	<b>1,630,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>9,032,000</b>	<b>1,722,000</b>	<b>1,630,000</b>

WARD 25 - Ward is completely within the Urban Edge. The suburb within this Ward are the following: Zwide, KwaZakhele, Barcelona Zwide, Struandale Industrial, New Brighton, Kwaford Industrial				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060020	Provision of Sidewalks	-	400,000	500,000
20030427	Secure Recreational Buildings / Facilities	-	500,000	-
20010362	Upgrade and Development of Public Open Spaces		500,000	
20000106	Urban Refuse Transfer Recycling Stations	2,000,000	2,000,000	2,000,000
20050286	Tarring of Gravel Roads	200,000	1,500,000	
20100100	Playground Equipment	-	250,000	-
19930283	Public Lighting	230,000	-	-
20030475	New Brighton/Kwazakhele: Bulk Stormwater	224,000	224,000	460,000
	<b>Total Capital</b>	<b>2,654,000</b>	<b>5,374,000</b>	<b>2,960,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>2,854,000</b>	<b>5,374,000</b>	<b>2,960,000</b>

WARD 26 - The suburbs within this Ward are the following: Zwide, Silvertown Sisonke Zwide, Railway Reserve W1				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20110056	Swartkops Low Level Collector Sewer Upgrade	1,750,000	2,500,000	9,000,000
20060237	Zwide Bulk Stormwater	3,000,000	2,000,000	4,000,000
20050286	Tarring of Gravel Roads	1,500,000	1,500,000	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	170,000	-	-
	<b>Total Capital</b>	<b>6,500,000</b>	<b>6,000,000</b>	<b>13,000,000</b>
	<b>Projects on Operating Budget</b>			
	<b>Other Operating Projects</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital and Operating</b>	<b>6,700,000</b>	<b>6,000,000</b>	<b>13,000,000</b>

<b>WARD 27 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Soweto-On-Sea Informal Settlement, Silvertown Limba (Zwide)</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20060020	Provision of Sidewalks	-	-	350,000
20050286	Tarring of Gravel Roads	4,500,000	1,000,000	
19930283	Public Lighting	255,000	-	-
	<b>Total Capital</b>	<b>4,755,000</b>	<b>1,000,000</b>	<b>350,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	1,416,830	1,501,840	-
	<b>Total Capital &amp; Operating</b>	<b>6,371,830</b>	<b>2,501,840</b>	<b>350,000</b>

<b>WARD 28 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Veeplaas, Kuwait Zwide</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20050286	Tarring of Gravel Roads	4,500,000	1,000,000	
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	-	-	250,000
19930283	Public Lighting	260,000	-	-
	<b>Total Capital</b>	<b>4,840,000</b>	<b>1,000,000</b>	<b>250,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	709,095	751,640	-
	<b>Total Capital &amp; Operating</b>	<b>5,749,095</b>	<b>1,751,640</b>	<b>250,000</b>

WARD 29 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Bloemendal, Bethelsdorp, Normanville Ext. 22, Timothy Valley, Block 23 South Frans Valley, Jacksonville, Kuscus Heights Ext. 26, Aspen Heights Ext. 26, Palmridge Ext. 23, Loonatville Ext. 23, Heath Park, Jegelsville Village, Extension 20, Extension 24, Kemp Park Ext. 30				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060020	Provision of Sidewalks	350,000	500,000	-
20050286	Tarring of Gravel Roads	5,000,000	1,500,000	
20030421	Cemetery Development	500,000	500,000	500,000
19930283	Public Lighting	145,000	-	-
	<b>Total Capital</b>	<b>5,995,000</b>	<b>2,500,000</b>	<b>500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>6,195,000</b>	<b>2,500,000</b>	<b>500,000</b>

WARD 30 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaMagxaki, Soweto On Sea Informal Settlement, Veeplaas, Bethelsdorp, Ibhayi, Ibhayi Cemetery				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20050286	Tarring of Gravel Roads	1,300,000	1,500,000	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	215,000	-	-
20050248	Bucket Eradication Programme - Container Toilets	5,950,000	-	-
	<b>Total Capital</b>	<b>7,545,000</b>	<b>1,500,000</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	374,906	397,400	-
	<b>Total Capital &amp; Operating</b>	<b>8,119,906</b>	<b>1,897,400</b>	<b>-</b>

WARD 31 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Algoa Park, Windvogel, Erf 1542 Bethelsdorp, Balfour Heights (Smartie Town), Missionvale, Missionvale Garden Lots Phase 1, Missionvale Garden Lots Phase 2, Hillside Ext 9, Bethelsdorp				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
19930264	Informal Housing Electrification	1,135,000	-	-
20130022	Relocation of existing electrical services	172,730	-	-
20030670	Rehabilitation of Infrastructure Salt Pans	100,000	100,000	100,000
20050286	Tarring of Gravel Roads	2,000,000	1,500,000	-
20120045	Fencing of Cemeteries	1,500,000	-	-
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	250,000	-	-
19930283	Public Lighting	195,000	-	-
	<b>Total Capital</b>	<b>5,432,730</b>	<b>1,600,000</b>	<b>100,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	791,541	839,034	-
	<b>Total Capital &amp; Operating</b>	<b>6,424,271</b>	<b>2,439,034</b>	<b>100,000</b>



WARD 32 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Bethelsdorp, Salsoneville - Ext 16, Cleary Park - Ext 10, Hillside Ext 9, Missionvale, Erf 1542 Bethelsdorp, Salt Lake - Ext 8, Grootkloof Tip				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20110092	Missionvale Garden Lots - Human Settlement (Services)	5,625,000	-	-
20030221	Office Accommodation -Ward Councillors	400,000	-	-
20060020	Provision of Sidewalks	-	-	350,000
20050286	Tarring of Gravel Roads	1,500,000	1,500,000	-
20000203	Implementation - Van Der Kemp's Kloof	1,000,000	-	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	225,000	-	-
	<b>Total Capital</b>	<b>8,830,000</b>	<b>1,500,000</b>	<b>350,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	502,077	532,202	-
	<b>Total Capital &amp; Operating</b>	<b>9,532,077</b>	<b>2,032,202</b>	<b>350,000</b>

<b>WARD 33 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Govan Mbeki, Rocky Ridge - Ext 27, Kleinskool Area K, Bethelsdorp, KwaDwesi</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20130057	Kleinskool Kliprand - Human Settlement (Services)	400,000	18,000,000	2,000,000
20050286	Tarring of Gravel Roads	1,500,000	1,500,000	
19930283	Public Lighting	230,000	-	-
20050248	Bucket Eradication Programme - Container Toilets	3,200,000	-	-
	<b>Total Capital</b>	<b>5,330,000</b>	<b>19,500,000</b>	<b>2,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>5,530,000</b>	<b>19,500,000</b>	<b>2,000,000</b>

WARD 34 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Bethelsdorp, Rocky Ridge - Ext 27, Solomon Estates - Ext 28, Nickalisville, Fernwood Park - Ext 29, Arcadia North, Chatty Arcadia Ext 12, Extension 13				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20030030	Lorraine - Bulk Sewerage Augmentation	9,125,000	5,750,000	5,000,000
20060020	Provision of Sidewalks	400,000	525,000	500,000
20050286	Tarring of Gravel Roads	1,500,000	1,000,000	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	195,000	-	-
	<b>Total Capital</b>	<b>11,300,000</b>	<b>7,275,000</b>	<b>5,500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>11,500,000</b>	<b>7,275,000</b>	<b>5,500,000</b>

WARD 35 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Sancto Vars Vlei - Ext 14, Extensions 18 and 19, West End - Ext 11, Chatty Arcadia Ext 12, Bethelsdorp, Marock Road Informal Community				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060020	Provision of Sidewalks	400,000	525,000	400,000
19980266	Secure Municipal Parks Facilities		2,500,000	
20030421	Cemetery Development	400,000	400,000	500,000
20150037	Upgrade of Varsvlei Park	-	1,000,000	-
20120045	Fencing of Cemeteries	4,500,000	-	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	160,000	-	-
	<b>Total Capital</b>	<b>5,540,000</b>	<b>4,425,000</b>	<b>900,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>5,740,000</b>	<b>4,425,000</b>	<b>900,000</b>

WARD 36 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaDwesi, KwaDwesi Informal, Kwadwesi Extension				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20050286	Tarring of Gravel Roads	1,000,000	1,000,000	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>1,310,000</b>	<b>1,000,000</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>1,510,000</b>	<b>1,000,000</b>	<b>-</b>

WARD 37 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Kwanoxolo - Ext 37, Moeggesukkel, Bethelsdorp, Extension 36, Extension 35, Kleinskool Area K, Extension 34, Floral Park - Ext 33, Chatty Ext 31, Rocky Ridge - Ext 27				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20130054	Bethelsdorp Ext 32, 34 & 36	500,000	20,000,000	-
20030221	Office Accommodation -Ward Councillors	800,000		
20030453	Flood Risk Improvements: Chatty River	2,000,000	2,000,000	3,000,000
20050286	Tarring of Gravel Roads	1,500,000	1,500,000	
20000106	Urban Refuse Transfer Recycling Stations	1,000,000	1,000,000	2,000,000
19980220	Traffic Calming Measures	100,000	-	-
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>6,130,000</b>	<b>24,500,000</b>	<b>5,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	1,133,836	1,201,867	-
	MBDA - Kleinskool Community Hall	2,000,000		
	<b>Total Capital &amp; Operating</b>	<b>9,463,836</b>	<b>25,701,867</b>	<b>5,000,000</b>

WARD 38 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Timothy Valley, Block 23 South Frans Valley, Block 23 North Kwanoxolo, Willowdene - Ext 21				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060020	Provision of Sidewalks	600,000	-	-
20050286	Tarring of Gravel Roads	1,500,000	1,500,000	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	140,000	-	-
	<b>Total Capital</b>	<b>2,320,000</b>	<b>1,500,000</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	852,186	903,317	-
	<b>Total Capital &amp; Operating</b>	<b>3,372,186</b>	<b>2,403,317</b>	<b>-</b>

WARD 39 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Hunters Retreat, Kabega Park, Sherwood, Utopia, Kuene Park, Harmony, Van Der Stel, Rowallan Park				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20120048	Hunters Retreat - Grogro - Human Settlement (Services)	1,500,000	25,000,000	10,000,000
20060020	Provision of Sidewalks	400,000	-	400,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	330,000	-	-
	<b>Total Capital</b>	<b>2,310,000</b>	<b>25,000,000</b>	<b>10,400,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>2,510,000</b>	<b>25,000,000</b>	<b>10,400,000</b>



<b>WARD 40 - This wards urban areas are largely coastal and rural villages that have their own urban edges, but large parts of this ward is farming areas. The suburbs within this Ward are the following: Farmland, Woodridge, Witteklip Housing Development, Van Stadens River Mouth, Rocklands Housing Development, Hopewell, The Valleys, Poplar Grove, Masakane (Kuyga), Parkholme, Swinburne, Windomayne, The Flats, Verdun, Chinchilla Farm, Sea View Game Park, Hillside, Stone Kraal, Goedemoedsfontein East, Sea View West, Sea View Pump Station, Tembani, Fairview Racecourse, St Albans Prison, St Albans Housing Development, Blue Horizon Bay, Fitchholme, Rendalton, Beachview, Westlands, Crockart Hope, Murray Park, Denholme, Kini Bay, Seaview, Greenbushes, Theescombe, Hunters Retreat, Kwanobuhle, Clarendon Marine</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20030511	Seaview Bulk Water	1,000,000	5,000,000	5,000,000
20030512	St Albans Bulk Water	-	1,000,000	6,000,000
20050106	Seaview Pump Station: Upgrade	4,000,000	5,000,000	5,000,000
20080048	Jagtvlakte: Bulk Water Supply Pipeline	-	4,500,000	2,000,000
20100034	Balmoral Reservoir and Bulk Pipeline	-	2,000,000	1,000,000
20120085	Kwanobuhle Reservoir Link Watermain	-	1,000,000	500,000
20030167	Rocklands PHB Housing project WWTW	100,000	2,200,000	5,000,000
20030405	Witteklip Bulk Sewerage	1,000,000	4,000,000	5,000,000
20030407	Seaview Bulk Sewer	1,000,000	2,000,000	2,000,000
20060103	Jagtvlakte Bulk Sewerage	300,000	950,000	950,000
20120043	Seaview Housing Job - Human Settlement (Services)	500,000	-	20,000,000
20120062	Kuyga Phase 3 - Human Settlement (Services)	500,000	-	-
20130065	Witteklip - Human Settlement (Services)	-	-	19,997,368
20060241	Blue Horizon Bay Bulk Stormwater	2,000,000	2,000,000	3,000,000

**WARD 40** - This wards urban areas are largely coastal and rural villages that have their own urban edges, but large parts of this ward is farming areas. The suburbs within this Ward are the following: Farmland, Woodridge, Witteklip Housing Development, Van Stadens River Mouth, Rocklands Housing Development, Hopewell, The Valleys, Poplar Grove, Masakane (Kuyga), Parkholme, Swinburne, Windomayne, The Flats, Verdun, Chinchilla Farm, Sea View Game Park, Hillside, Stone Kraal, Goedemoedsfontein East, Sea View West, Sea View Pump Station, Tembani, Fairview Racecourse, St Albans Prison, St Albans Housing Development, Blue Horizon Bay, Fitchholme, Rendalton, Beachview, Westlands, Crockart Hope, Murray Park, Denholme, Kini Bay, Seaview, Greenbushes, Theescombe, Hunters Retreat, Kwanobuhle, Clarendon Marine

Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20080081	Greenbushes: Stormwater Improvements	1,500,000	1,000,000	4,000,000
20060020	Provision of Sidewalks	500,000	550,000	350,000
20050286	Tarring of Gravel Roads	2,100,000	1,000,000	-
20010362	Upgrade and Development of Public Open Spaces	1,330,000	-	500,000
19980220	Traffic Calming Measures	100,000	-	-
20100100	Playground Equipment	250,000	250,000	-
19930283	Public Lighting	205,000	-	-
	<b>Total Capital</b>	<b>16,385,000</b>	<b>32,450,000</b>	<b>80,297,368</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	1,126,986	1,194,605	-
	<b>Total Capital &amp; Operating</b>	<b>17,711,986</b>	<b>33,644,605</b>	<b>80,297,368</b>

WARD 41 - This built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Bethelsdorp, Bloemendal, Chatty 3 And 4, Chatty Phase 3, Chatty Phase 4, Chatty Extension 4, Chatty Extension 5, Booyens Park, Chatty Extension 1, Chatty Extension 3, Chatty Phase 1, Ncebu Faku Village, Chatty Extension 2, Despatch, Farms Uitenhage, Joe Slovo, Joe Slovo West, KwaDwesi Informal, Westville North Area C, Daleview Extension Area A				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20120085	Kwanobuhle Reservoir Link Watermain	-	1,000,000	500,000
20060103	Jagtvlakte Bulk Sewerage	300,000	950,000	950,000
20110091	Khayamandi Extension - Human Settlement (Services)	17,465,000	-	25,000,000
20120033	Jagvlakte (Chatty 11-14) - Human Settlement (Services)	-	55,000,000	40,000,000
19930264	Informal Housing Electrification	22,927,000	-	-
20130022	Relocation of existing electrical services	3,489,130	-	-
20080078	Chatty: Stormwater Improvement	5,000,000	4,000,000	-
20140010	IPTS - Construction of Bloemendal Aterial	10,000,000	20,000,000	
20050286	Tarring of Gravel Roads	1,300,000	1,500,000	
20010362	Upgrade and Development of Public Open Spaces	-	-	1,000,000
19980220	Traffic Calming Measures	100,000	-	-
20100100	Playground Equipment	-	-	250,000
19980285	Upgrade Existing Sports Facilities	2,000,000	-	-
19930283	Public Lighting	865,000	-	-
20050248	Bucket Eradication Programme - Container Toilets	5,950,000	-	-
	<b>Total Capital</b>	<b>69,396,130</b>	<b>82,450,000</b>	<b>67,700,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	2,537,929	2,690,206	-
	<b>Total Capital &amp; Operating</b>	<b>72,134,059</b>	<b>85,140,206</b>	<b>67,700,000</b>

WARD 42 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaNobuhle Area 6, KwaNobuhle Area 7, KwaNobuhle Area 8, KwaNobuhle Area 8 Phase 2				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20080144	Kwanobuhle: Upgrading of water reticulation	-	200,000	100,000
20080138	Kwanobuhle: Upgrade of sewer reticulation	-	166,667	166,667
20130038	Kwanobuhle ERF 8228 - Human Settlement (Services)	500,000	-	-
20060020	Provision of Sidewalks	-	-	400,000
20050286	Tarring of Gravel Roads	2,000,000	1,500,000	
20010362	Upgrade and Development of Public Open Spaces	500,000		
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	250,000	-	-
19930283	Public Lighting	195,000	-	-
20050248	Bucket Eradication Programme - Container Toilets	3,400,000	-	-
	<b>Total Capital</b>	<b>6,925,000</b>	<b>1,866,667</b>	<b>666,667</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	907,302	961,740	-
	<b>Total Capital &amp; Operating</b>	<b>8,032,302</b>	<b>2,828,407</b>	<b>666,667</b>

WARD 43 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaNobuhle Area 4, KwaNobuhle, Sikhotina, KwaNobuhle Area 6, KwaNobuhle Area 7, KwaNobuhle Area 7 (Phase 1)				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20070144	Kwanobuhle WWTW : Upgrading	4,000,000	9,000,000	1,000,000
20080138	Kwanobuhle: Upgrade of sewer reticulation	-	166,667	166,667
20060020	Provision of Sidewalks	400,000	400,000	-
20050286	Tarring of Gravel Roads	-	1,500,000	-
20010362	Upgrade and Development of Public Open Spaces		500,000	-
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	-	-	250,000
19930283	Public Lighting	135,000	-	-
	<b>Total Capital</b>	<b>4,615,000</b>	<b>11,566,667</b>	<b>1,416,667</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	737,713	781,975	-
	<b>Total Capital &amp; Operating</b>	<b>5,552,713</b>	<b>12,348,642</b>	<b>1,416,667</b>

WARD 44 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: UDDI (Jagvlakte), Kwanobuhle Area 8, Area 3, Kwanobuhle Area 7 Phase 2, Kwanobuhle Area 7, Kwanobuhle Area 7 Phase 1, Kwanobuhle Area 4, Solomon Mhlangu, Kwanobuhle Area 8A, Kwanobuhle, Kwanobuhle Area 1, Area 4				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20080144	Kwanobuhle: Upgrading of water reticulation	-	200,000	100,000
20080138	Kwanobuhle: Upgrade of sewer reticulation	-	166,667	166,667
19980285	Upgrade Existing Sports Facilities (Jabavu Stadium)	2,500,000	2,250,000	-
20000149	Maintain/Rehabilitate Sports Facility Infrastructure	4,000,000	-	-
20060020	Provision of Sidewalks	350,000	400,000	450,000
20050286	Tarring of Gravel Roads	1,500,000	1,500,000	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	260,000	-	-
	<b>Total Capital</b>	<b>8,690,000</b>	<b>4,516,667</b>	<b>716,667</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	728,174	771,864	-
	Cleaning and Maintenance of Stormwater Drains			
	<b>Total Capital &amp; Operating</b>	<b>9,618,174</b>	<b>5,288,531</b>	<b>716,667</b>

WARD 45 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Farms Uitenhage, Area 3, KwaNobuhle Area 11, KwaNobuhle Area 10, KwaNobuhle Area 9 Phase 2, KwaNobuhle Area 9 Gunguluza, KwaNobuhle Area 5, Kamesh Cell 3 (Phase 3), Lapland, Kamesh 2, Tiryville, Kamesh Cell 3 (Phase 2), KwaNobuhle (Garden Lots), Uitenhage				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20080144	Kwanobuhle: Upgrading of water reticulation	-	200,000	100,000
20110068	KwaNobuhle Area 11 - Link Sewer	15,000,000	1,000,000	1,000,000
20080138	Kwanobuhle: Upgrade of sewer reticulation	-	166,667	166,667
20060020	Provision of Sidewalks	350,000	300,000	-
20050286	Tarring of Gravel Roads	2,000,000	1,500,000	-
20010362	Upgrade and Development of Public Open Spaces	370,000		1,000,000
20120030	Kwanobuhle Area 11 - Human Settlement (Services)	11,000,000	20,000,000	25,000,000
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	250,000	-	-
19930283	Public Lighting	130,000	-	-
	<b>Total Capital</b>	<b>29,180,000</b>	<b>23,166,667</b>	<b>27,266,667</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	856,425	907,811	-
	Bucket Eradication Programme - Concrete Slab + Toilet Structure	19,400,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>49,636,425</b>	<b>24,074,478</b>	<b>27,266,667</b>

WARD 46 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Kwanobuhle Area 01, Kwanobuhle Area 02, John Gomono, Area 3A, Chris Hani/Ramaphosa Area 5A, Chris Hani/Ramaphosa Phase 2, Eric Dodd, Alexander Park Industrial, De Mist, Dr Brawn, Despatch (Commonage), Uitenhage Commonage, Despatch (VW Test Track)				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20080144	Kwanobuhle: Upgrading of water reticulation	-	200,000	100,000
20080138	Kwanobuhle: Upgrade of sewer reticulation	-	166,667	166,667
20060103	Jagtvlakte Bulk Sewerage	400,000	1,100,000	1,100,000
20060020	Provision of Sidewalks	-	400,000	800,000
20050286	Tarring of Gravel Roads	1,000,000	1,500,000	
20010362	Upgrade and Development of Public Open Spaces	500,000		
20100100	Playground Equipment	-	250,000	-
19930283	Public Lighting	190,000	-	-
20010307	Upgrading Groendal Treatment Works	5,000,000	600,000	-
	<b>Total Capital</b>	<b>7,090,000</b>	<b>4,216,667</b>	<b>2,166,667</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	799,189	847,140	-
	<b>Total Capital &amp; Operating</b>	<b>8,089,189</b>	<b>5,063,807</b>	<b>2,166,667</b>



<b>WARD 47 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Farms Uitenhage, Kwanobuhle Area 2, Area 3, Joe Modise Peace Village Phase 1, Joe Modise Peace Village Phase 2 Area 3, Joe Modise Peace Village Phase 2 Area 1, Kwanobuhle Area 01, Jolobe Area 02 Informal Area, Peace Village, Joe Modise Peace Village Phase 2 Area 2, Chris Hani/Ramaphosa Phase 2</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20030601	Construction of a 1,0 Ml reclaimed effluent reservoir: Uitenhage	-	1,000,000	2,000,000
20080144	Kwanobuhle: Upgrading of water reticulation	-	200,000	100,000
20080138	Kwanobuhle: Upgrade of sewer reticulation	-	166,665	166,665
20060020	Provision of Sidewalks	-	-	450,000
20050286	Tarring of Gravel Roads	1,000,000	1,000,000	
20030421	Cemetery Development	400,000	400,000	500,000
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>1,630,000</b>	<b>2,766,665</b>	<b>3,216,665</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	647,618	686,475	-
	<b>Total Capital &amp; Operating</b>	<b>2,477,618</b>	<b>3,453,140</b>	<b>3,216,665</b>

WARD 48 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Central, Cape Road Industrial, Uitenhage Commonage, Riverside Industrial, Afghanistan Informal Community, Blikkiesdorp, Gerald Smith, Curry, Uitenhage Sport Fields, Mc Naughton, College Hill, Joe Slovo Uitenhage, Middle Street, Uitenhage, Uitenhage Railway, Jubilee Cemetery, Jubilee Park				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20030601	Construction of a 1,0 Ml reclaimed effluent reservoir: Uitenhage	-	1,000,000	2,000,000
20110066	Bulk Sewers Joe Slovo, Mandelaville, Allenridge West UIT	666,333	2,666,000	5,000,000
20000149	Maintain/Rehabilitate Sports Facility Infrastructure	-	1,000,000	-
20100077	KwaNobuhle Municipal Aerodome - Upgrade of Perimeter Fencing	500,000	500,000	500,000
20010257	Magennis Street Reconstruction	7,000,000	12,000,000	-
20060020	Provision of Sidewalks	-	400,000	-
20050286	Tarring of Gravel Roads	1,000,000	1,800,000	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	245,000	-	-
20010307	Upgrading Groendal Treatment Works	5,000,000	600,000	-
	<b>Total Capital</b>	<b>14,491,333</b>	<b>19,966,000</b>	<b>7,500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	441,780	468,287	-
	<b>Total Capital &amp; Operating</b>	<b>15,133,113</b>	<b>20,434,287</b>	<b>7,500,000</b>

<b>WARD 49 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Rosedale, Uitenhage, Mountain View, Thomas Gamble, Allenridge West, Infill Area, Farms Uitenhage</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20010307	Upgrading Groendal Treatment Works	5,000,000	600,000	-
20030601	Construction of a 1,0 MI reclaimed effluent reservoir: Uitenhage	-	1,000,000	2,000,000
20110066	Bulk Sewers Joe Slovo, Mandelaville, Allenridge West UIT	666,333	2,667,000	5,000,000
20000160	Rehabilitate and Ugrading of Swimming Pool Structures	-	1,000,000	-
20000149	Maintain/Rehabilitate Sports Facility Infrastructure	-	3,500,000	-
20030427	Secure Recreational Buildings / Facilities	166,667	-	-
20010362	Upgrade and Development of Public Open Spaces	-	500,000	-
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	-	250,000	-
19930283	Public Lighting	180,000	-	-
	<b>Total Capital</b>	<b>6,093,000</b>	<b>9,517,000</b>	<b>7,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	660,338	699,958	-
	<b>Total Capital &amp; Operating</b>	<b>6,953,338</b>	<b>10,216,958</b>	<b>7,000,000</b>

<b>WARD 50 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Mandelaville, Rosedale, Uitenhage, Mc Naughton, Kabah Langa Phase 4, Kabah Langa Phase 5, Middle Street, Kabah Lange Greenfields, Limekaya Informal Community, Kabah 17th Ave (Mija), Kabah Langa (Phase 3), Kabah Langa (Phase 2), Uitenhage Commonage, Mandela 1 (Pola Park)</b>				
<b>Project ID</b>	<b>Project Description</b>	<b>2015/2016 Financial Year</b>	<b>2016/2017 Financial Year</b>	<b>2017/2018 Financial Year</b>
20030601	Construction of a 1,0 MI reclaimed effluent reservoir: Uitenhage	-	2,000,000	2,000,000
20110066	Bulk Sewers Joe Slovo, Mandelaville, Allenridge West UIT	667,334	2,667,000	5,000,000
20130060	Pola Park - Human Settlement (Services)	3,762,780	-	-
20000149	Maintain/Rehabilitate Sports Facility Infrastructure	-	-	5,000,000
20060020	Provision of Sidewalks	300,000	300,000	500,000
20050286	Tarring of Gravel Roads	1,500,000	1,000,000	
20140003	Water drainage and roads at Cemeteries	2,000,000	2,000,000	2,000,000
19980220	Traffic Calming Measures	80,000	-	-
19980285	Upgrade Existing Sports Facilities	500,000	-	-
19930283	Public Lighting	130,000	-	-
20010307	Upgrading Groendal Treatment Works	5,000,000	600,000	-
	<b>Total Capital</b>	<b>13,940,114</b>	<b>8,567,000</b>	<b>14,500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	828,867	878,599	-
	<b>Total Capital and Operating</b>	<b>14,968,981</b>	<b>9,445,599</b>	<b>14,500,000</b>

WARD 51 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Uitenhage Commonage, Janssendal, Leyvale, Vanes Estate, Central, College Hill, Penford, Mosel, Valleisig, Scheepershoogte, Van Riebeeck Hoogte, Strelizia Park, Fairbridge Heights, Uitenhage Golf Course, Strelizia Park Extension, Winterhoek Park Extension, Winterhoek Park, Farms Uitenhage				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060082	Upgrading Springs Water Treatment Works	-	1,000,000	1,000,000
20010221	Springs Resort-Upgrade Infrastructure	3,000,000	3,000,000	5,000,000
20030427	Secure Recreational Buildings / Facilities	166,667	-	-
20150035	Upgrade of Magennis Park - Uitenhage			1,000,000
20150036	Upgrade of Willow Dam Park - Uitenhage	-	1,000,000	1,000,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	230,000	-	-
20010307	Upgrading Groendal Treatment Works	5,000,000	600,000	-
	<b>Total Capital</b>	<b>8,476,667</b>	<b>5,600,000</b>	<b>8,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	<b>Total Capital and Operating</b>	<b>8,676,667</b>	<b>5,600,000</b>	<b>8,000,000</b>

WARD 52 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Manor Heights, Reservoir Hills, Khayamandi Area 1 And B, Daleview, Daleview Ext Area A, Sentraal, Heuwelkruin, Bothasrus, Campher Park, Despatch				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20000160	Rehabilitate and Ugrading of Swimming Pool Structures	1,500,000	-	-
20060020	Provision of Sidewalks	-	-	450,000
20050286	Tarring of Gravel Roads	2,000,000	1,000,000	-
20030421	Cemetery Development	400,000	400,000	500,000
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>4,210,000</b>	<b>1,400,000</b>	<b>950,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	544,805	577,494	-
	Bucket Eradication Programme - Concrete Slab + Toilet Structure	11,100,000	-	-
	<b>Total Capital &amp; Operating</b>	<b>4,954,805</b>	<b>1,977,494</b>	<b>950,000</b>

WARD 53 - The built-up area falls largely within the Urban Edge. Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Azalea Park, Windsor Park, Retief, Heuwelskruin, Sentraal, Farms Uitenhage, Rosedale, Rosedale Ext. 1, Rosedale Ext. 2, Kabah Langa (Phase 1), Kabah Langa (Phase 2), Riverside Park, Connonville, Colchester, Despatch, Uitenhage, Farmland, Coega				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060101	Colchester - Sewer Reticulation	100,000	100,000	100,000
20060102	Colchester - Bulk Sewerage Infrastructure & WWTW	500,000	500,000	500,000
20060106	Motherwell North Bulk Sewerage	350,000	700,000	2,000,000
20110096	Rosedale Extension - 804 Sites (Phase 2)	15,831,800	-	-
20080080	Cannonville/Colchester: Stormwater improvements	2,000,000	1,000,000	5,000,000
20060020	Provision of Sidewalks	350,000	350,000	500,000
20010362	Upgrade and Development of Public Open Spaces	500,000	-	-
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	250,000	-	-
19930283	Public Lighting	195,000	-	-
20050248	Bucket Eradication Programme - Container Toilets	2,550,000	-	-
	<b>Total Capital</b>	<b>22,706,800</b>	<b>2,650,000</b>	<b>8,100,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	1,054,624	1,117,902	-
	<b>Total Capital &amp; Operating</b>	<b>23,961,424</b>	<b>3,767,902</b>	<b>8,100,000</b>

WARD 54 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: N.U. 12, Tjoksville 400, N.U. 30, N.U. 29, N.U. 10, N.U. 11				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060106	Motherwell North Bulk Sewerage	350,000	700,000	2,000,000
20120055	Motherwell NU 30 - Human Settlement (Services)	15,580,000	40,000,000	30,000,000
20120061	Motherwell NU 31 - Human Settlement (Services)	-	25,000,000	45,000,000
19930264	Informal Housing Electrification	5,107,500	-	-
20130022	Relocation of existing electrical services	777,280	-	-
20030379	Motherwell NU29 & 30 : Roads & S/w Bulk Infrastructure	4,000,000	2,000,000	5,000,000
20050286	Tarring of Gravel Roads	1,400,000	1,000,000	
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	430,000	-	-
	<b>Total Capital</b>	<b>27,724,780</b>	<b>68,700,000</b>	<b>82,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	1,774,967	1,881,465	-
	Bucket Eradication Programme - Concrete Slab + Toilet Structure	14,500,000		
	<b>Total Capital &amp; Operating</b>	<b>44,199,747</b>	<b>70,581,465</b>	<b>82,000,000</b>



WARD 55 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Greater Tjoksville (Steve Tshwete Village), N.U. 1, N.U. 11, N.U. 10				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20050286	Tarring of Gravel Roads	6,000,000	1,000,000	-
19980220	Traffic Calming Measures	80,000	-	-
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>6,310,000</b>	<b>1,000,000</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	1,489,378	1,578,742	-
	<b>Total Capital &amp; Operating</b>	<b>7,999,378</b>	<b>2,578,742</b>	<b>-</b>

WARD 56 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: N.U. 1, N.U. 2, N.U. 10, Ramaphose Village N.U.1, Ikamvelihle (North of Addo and Coega), Motherwell, N.U. 29				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060106	Motherwell North Bulk Sewerage	300,000	600,000	1,000,000
20110054	Tynira / Endlovini - Sewerage	500,000	3,000,000	5,000,000
20090038	Stormwater Improvements Ikamvelihle	2,000,000	2,000,000	2,000,000
20050286	Tarring of Gravel Roads	1,000,000	1,000,000	-
20010362	Upgrade and Development of Public Open Spaces	-	500,000	-
19980220	Traffic Calming Measures	80,000	-	-
20100100	Playground Equipment	-	250,000	-
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>4,110,000</b>	<b>7,350,000</b>	<b>8,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	1,196,663	1,268,463	-
	<b>Total Capital &amp; Operating</b>	<b>5,506,663</b>	<b>8,618,463</b>	<b>8,000,000</b>

WARD 57 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: N.U. 9, Greater Tjoksville (Steve Tshwete Village), N.U. 7, N.U. 8				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20110054	Tynira / Endlovini - Sewerage	500,000	3,000,000	5,000,000
20050286	Tarring of Gravel Roads	1,000,000	200,000	-
19980220	Traffic Calming Measures	100,000	-	-
19980285	Upgrade Existing Sports Facilities	500,000	-	-
19930283	Public Lighting	160,000	-	-
	<b>Total Capital</b>	<b>2,260,000</b>	<b>3,200,000</b>	<b>5,000,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	787,530	834,782	-
	<b>Total Capital &amp; Operating</b>	<b>3,247,530</b>	<b>4,034,782</b>	<b>5,000,000</b>

WARD 58 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Umlambo N.U. 4, N.U. 4B, N.U. 5, N.U. 6, N.U. 8, N.U. 9				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20090018	Motherwell Traffic and Licencing Centre	8,059,913	2,285,500	-
20050286	Tarring of Gravel Roads	1,300,000	1,000,000	-
19980220	Traffic Calming Measures	80,000	-	-
19980285	Upgrade Existing Sports Facilities	1,500,000	-	-
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>11,169,913</b>	<b>3,285,500</b>	<b>-</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	25,000	-	-
	Refuse Co-ops	766,331	812,311	-
	<b>Total Capital &amp; Operating</b>	<b>11,961,244</b>	<b>4,097,811</b>	<b>-</b>

WARD 59 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: N.U. 5, N.U. 6, N.U. 7				
Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20030221	Office Accommodation -Ward Councillors	400,000	-	-
20050286	Tarring of Gravel Roads	1,500,000	1,000,000	-
20010362	Upgrade and Development of Public Open Spaces	500,000	-	-
20060281	Motherwell Cultural Center	-	1,000,000	5,500,000
20100100	Playground Equipment	250,000	-	-
19930283	Public Lighting	230,000	-	-
	<b>Total Capital</b>	<b>2,880,000</b>	<b>2,000,000</b>	<b>5,500,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	872,124	924,451	-
	<b>Total Capital &amp; Operating</b>	<b>3,952,124</b>	<b>2,924,451</b>	<b>5,500,000</b>

**WARD 60 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Redhouse, Markman Industrial, Joorst Park, St Georges Strand, Phase 3 Ext 5, Phase 3 Ext 3, Phase 3 Ext 1, Phase 3 Ext 4, Phase 3 Ext 2, Phase 2 Stage 1 and 2, Coega Construction Village, Phase 1, Blue Water Bay, Bluewater Beach, Brickfields, Redhouse Village, Perseverance Industrial, Deal Party, Coega, Blue Water Bay Beach, Motherwell, Bethelsdorp, Amsterdamhoek, Wells Estate, Ibhayi, New Brighton, Swartkops**

Project ID	Project Description	2015/2016 Financial Year	2016/2017 Financial Year	2017/2018 Financial Year
20060081	Coega Reclaimed Effluent Scheme	1,000,000	1,000,000	2,000,000
20030034	Markman - Replace 600mm Sewer	500,000	2,000,000	5,200,000
20030795	Upgrade Beaches - Tourism	3,000,000	3,000,000	4,000,000
19940233	Motherwell Canal Wetlands	1,000,000	1,500,000	2,000,000
19980319	Upgrade Main Road through Swartkops	-	-	1,000,000
20080079	Wells Estate - Stormwater Improvements	-	1,000,000	3,000,000
20060020	Provision of Sidewalks	-	350,000	-
20050286	Tarring of Gravel Roads	2,000,000	2,000,000	
20010064	Beachfront	400,000	400,000	400,000
20010362	Upgrade and Development of Public Open Spaces	600,000	-	-
19930283	Public Lighting	495,000	-	-
	<b>Total Capital</b>	<b>8,995,000</b>	<b>11,250,000</b>	<b>17,600,000</b>
	<b>Projects on Operating Budget</b>			
	Ward Councillor's Discretionary Fund	200,000	-	-
	Refuse Co-ops	909,422	963,987	-
	<b>Total Capital &amp; Operating</b>	<b>10,104,422</b>	<b>12,213,987</b>	<b>17,600,000</b>

**APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE  
(YEAR 0 – 2015/16)**

<b>Date of Committee</b>	<b>Item No. of minutes</b>	<b>Committee Recommendations during Year 2015/2016</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
06-Apr-2016	6.1 (4) (a )	<b>Leave Accrual (Item 4 - Agenda p 24):</b>  That reports on the Leave Accrual Project by the Consortium, comprised of PWC and New Africa Consulting, must be submitted on a company letterhead.	Yes
06-Apr-2016	6.1 (4) (b)	That in addition to the audit findings by the Office of the Auditor General, the Consortium must address the leave accrual findings of the Internal Audit Unit in the Leave Accrual Project.	Yes
06-Apr-2016	6.1 (4) ( c)	That the Acting Executive Director: Corporate Services had to submit a response from the Consortium on the Leave Accrual Project at the next meeting of the Committee on the following: (i) Clarification of the Project Objective: Undertake reconciliations and address exceptions and variations (ii) Whether the constructive obligation of leave days would be considered (iii) Confirmation that the objective to reflect the past practice by the NMBM that leave was not capped, would be corrected (iv) That the daily rate of employees at the end of each respective year-end be utilized in the calculation of the leave accrual	Yes
06-Apr-2016	6.1 (4) (d)	That the Internal Audit Unit had to provide quality assurance at both the initial and the end stage of each respective financial period of the Leave Accrual Project	No. Challenges were experienced regarding completeness of leave source documents and other information which have hindered the quality assurance process commenced by Internal Audit.
06-Apr-2016	6.1 (5) - (8)	<b>Fresh Produce Market (Agenda p 24):</b>  That the Acting City Manager had to present a progress report on the Fresh Produce Market at the next Audit Committee meeting.	Yes

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
10-Sept-2015	7.1(a)	<b>Fresh Produce Market:</b> That the ED: EDTA should provide estimated timeframes for the actions to be taken as indicated in the Recommendations to the Updated Status Report on the Port Elizabeth Fresh Produce Market at the next meeting of the Committee.	No. This matter is being followed up for completion.
10-Sept-2015	7.1(e)	<b>Fresh Produce Market:</b> That the ED :EDTA would compile an accurate short term business plan on the sustainability of the Market, to be presented at the next Audit Committee meeting, comprised of the following components: (i) Actual income and expenditure respectively, of the Market operations over the preceding 12 months. (ii) A forecast of the income and expenditure for the following 12 months. (iii) An estimate of future expenditure, over a 3 to 5 year period, for the acquisition and improvement to the existing infrastructure.	No. See response to 7.1(f) below.



Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
10-Sept-2015	7.1(f)	<p><b>Fresh Produce Market:</b> With regards to (e) above, that a senior member of Internal Audit should provide assistance to the ED: EDTA by reviewing the draft business plan to ensure that the projected management accounts component thereof have been accurately and realistically incorporated over the 1-, 3- and 5-year periods respectively, and guide the compilation thereof to ensure that all relevant direct and indirect cost elements, and mandatory components have been incorporated.</p>	<p>No.</p> <p>At a meeting with the Executive Director of EDTA, (Mr A Qaba), on 8 April 2016 to commence with IA's planning for the Fresh Produce Market Business / Financial Review, it was mutually agreed that it would not be appropriate for Internal Audit to conduct this review, for the following reasons:</p> <ul style="list-style-type: none"> <li>• The nature and scope of the proposed review extends beyond a typical Internal Audit engagement and is more in line with the specifications of a detailed feasibility study. This was informed, amongst other requirements, by the need to compare and benchmark the Fresh Produce Market with similar markets in other Metros. The nature of the research required would require significant external data and information gathering more suitable to an externally produced feasibility study.</li> <li>• It was noted that a similar report had previously been generated for the Fresh Produce Market and it was agreed that the ED: EDTA would examine the conclusions of that report first before deciding on the costs vs benefits of a new report on the issue.</li> </ul> <p>As a result of the above, no further work was performed by Internal Audit on the high-level business / financial review over the feasibility of continuing operations at the FPM.</p>

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
10-Sept-2015	7.1(g)	<p><b>Fresh Produce Market:</b> That the Audit Committee Chairperson should raise the following matters in the quarterly reports to Council and the Executive Mayor:</p> <p>(i) The current status of the Fresh Produce Market.</p> <p>(ii) Infrastructure requirements and plan detailed over a number of years.</p> <p>(iii) The long term plan for the Fresh Produce Market.</p>	<p>No.</p> <p>The AC issued a report to Council regarding the FPM on 4 December 2015 highlighting their concerns.</p> <p>The Executive Director: EDTA, after discussion with the Chairperson of the Audit Committee, provided the Chair with a written report regarding the status quo on the Fresh Produce Market and to request consideration of various options in relation to the future operations of the facility.</p> <p>The Executive Director: EDTA responded to the AC report to Council (dated December 2015) in a report to the Office of the City Manager on 20 May 2016.</p> <p>As confirmed with the Chair of the AC on 16/08/2016, no further correspondence has been received on this matter.</p>
06-Apr-2016	6.1 (9, 10) (38, 39)	<p><b>Responses from Management on Housing Revolving Fund (Agenda p 26) &amp; Housing Revolving Fund (Agenda, p 33, 34):</b></p> <p>That the anticipated write-off from the Housing Revolving Fund and the impact thereof on the budget over the medium term had to be presented by the Chief Financial Officer at the next meeting.</p>	Yes

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06-Apr-2016	6.1 (14) (a)	<b>Fraud Prevention Policy, Strategy and Implementation Plan (Agenda p28):</b>  That the agenda for the Audit Committee meeting be amended to include as a standing item the consideration of the report on the implementation of the fraud prevention action plan by the Director: Internal Audit and Risk Assurance encompassing amongst others:  (i) Ethics hotline (ii) Detailed implementation plans (iii) Implementation target dates (iv) Responsible persons (v) Current status	Yes
06-Apr-2016	6.1 (14) (b)	That the Risk Management Committee had to consider the Fraud Prevention Policy, Strategy and Implementation Plan and report on the progress after consideration thereof at the next Audit Committee meeting.	No. The item is to be presented at the Risk Committee meeting scheduled for 25 October 2016.
06-Apr-2016	6.1 (58)	<b>Progress on forensic matters (Agenda p38):</b>  That the Committee would meet with the Acting City Manager during the following week to consider the progress on forensic matters.	Yes
10-Dec-15	6(6.1)	<b>Progress on Forensic Matters:</b> Director: IA must submit a report on progress of assessment of forensic matters conducted with Acting ED Corporate Services to next AC meeting.	Yes

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
25-Jun-2015 & 31-Aug-2015 & 06-Apr-2016	6.5.4 (d)  6.1 (18)	<b>Location of Performance Management Function (Agenda p 28):</b>  That the Chief Operating Officer report on the progress of the feasibility of a single unit to over the performance management function at the next meeting of the Committee.	No. On the instruction of the Acting City Manager, the COO and Acting ED : Corporate Services met and agreed that a single unit for performance management must be established. This will be guided by the development of the new organisational structure and service delivery model whose processes will commence in July 2016. The two directorates are developing a programme of collaboration to roll out the performance management in the interim.
06-Apr-2016	6.1 (48)	<b>Performance Assessments (Agenda p 36):</b>  That a report on the outstanding performance assessments would be submitted to the next meeting of the Committee.	Yes
06-Apr-2016	6.2.1(a)	<b>Performance Management Report - 2nd Quarter 2015/16 financial year (Agenda p 109):</b>  That the Executive Director: Infrastructure and Engineering submits a progress report to address the water leaks to each Audit Committee meeting.	Yes

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	6.2.1(b)	That the Executive Director: Infrastructure and Engineering submits a report to the next Audit Committee meeting indicating how the loan in the amount of R835 million to be submitted to Council, for approval for water and sanitation to deal with water leaks and the installation of smart meters for customers whose businesses were water based, would be financed.	No. If the issue relates to the raising of loans by the NMBM, kindly be informed that as Section 23 of the MFMA requires the municipality to consult with National Treasury as well prior approval of the budget, the issue of loans has not been supported by National Treasury and as such the loans had to be taken out of the draft budget. The loans will only be taken upon following the requirements of Section 46 of the MFMA and it is highly likely that they will be considered in the 2017/18 financial year, with all the processes to be followed in the 2016/17 financial year as required by law.
10-Dec-15	6(6.1)	<b>Implementation of Performance Assessment System:</b> That a report be submitted to the next meeting of the Committee providing details of the implementation of the performance assessment system with proposed mSCOA system	No. Due to the tight deadlines of the ERP Solution, Phase 1 of implementation focuses on mSCOA compliance from a financial impact and transactional perspective only. The performance assessment system (including whether we migrate or integrate) will only be assessed after the initial go-live of the project (i.e. phase 2), which will be subsequent to 01 December 2016.
10-Dec-15	6(6.1)	<b>Progress on implementation of mSCOA (Agenda p35):</b> That the Internal Audit and Risk Assurance Unit had to circulate the reports from each monthly Audit Steering Committee meeting on the progress with the implementation of the mSCOA project to the Audit Committee Members.	Yes

<b>Date of Committee</b>	<b>Item No. of minutes</b>	<b>Committee Recommendations during Year 2015/2016</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
10-Sep-2015	7.4.2 (7)	<b>IT General Controls Review – Formal tender System 2014/2015 (Agenda p 27):</b>  That the Director: Expenditure Management and Financial Control submits a report to the Internal Audit Unit on whether the existing tender system would be retained or replaced by the mSCOA ERP system.	Yes
06-Apr-2016	6.1 (11)		
06-Apr-16	6.1 (56)	<b>Mid-year management accounts (Agenda p37):</b>  That a report indicating the expenditure and budget to date, and the projects and budget to the year end be submitted by the Chief Financial Officer at the next Audit Committee meeting.	Yes
06-Apr-2016	6.1 (36, 37)	<b>Electricity - Losses (Agenda p 33):</b>  That the requisite reports on Electricity - Losses be submitted in writing to the meetings of the Audit Committee.	Yes
10-Dec-15	6(6.1)	<b>Electricity - technical losses:</b> ED: Electricity & Energy submit an overview report on where the greatest savings over the short term could be attained by addressing those areas where the greatest technical losses have occurred in electricity distribution to the next meeting of the AC .	Yes
10-Dec-15	6(6.1)	<b>Electricity - non-technical losses:</b> ED: E&E , submit an analysis of cost versus benefit of implementing above measures to address non technical losses.	Yes

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06-Apr-2016	6.1 (41)	<b>Traffic and Licensing Services (Agenda p 34):</b>  That the Acting Executive Director: Safety and Security submits a reworked report on the Challenges regarding Traffic and Licensing Services at the Audit Committee meeting scheduled for 23 June 2016.	Yes
06-Apr-2016	6.1 (47)	<b>Safety and Security related matters (Agenda p 35):</b>  That the Acting Executive Director: Safety and Security submits the outstanding report on the progress of the Firearms Control review 2014/15 at the Audit Committee meeting scheduled for 23 June 2016.	Yes
10-Dec-15	6(6.1)	<b>Challenges regarding Traffic and Licensing Services</b> Report on the specific measurable actions to be implemented and the progress of implementation in the same regard be submitted to the next AC meeting.  Must include: - Status quo and objectives to be achieved -Periodic implementation plan - Funding resource model	No. The response submitted by the directorate did not include all of the required elements.
10-Dec-15	6(6.1)	<b>Safety and Security related matters:</b> Acting City Manager to ensure that the Acting ED: S&S submits a written response to the issues raised by the Committee to the next meeting .	No. The response submitted by the directorate did not include all of the required elements

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06-Apr-16	6.4.2 (1) (i) (a)	<p><b>Detailed Audit Reports:</b>  <b>(1) Acting City Manager (Agenda p 168)</b>  <b>(i) Report to the Audit Committee on Kabuso and Pikoli Reports - for discussion purposes (Agenda p 169):</b></p> <p>That a meeting be held between the Director: Internal Audit and Risk Assurance and the Acting Executive Director: Corporate Services by 15 April 2016 to resolve on a way forward with regard to the outstanding forensic matters.</p>	Yes
06-Apr-16	6.4.2 (1) (i) (b)	That following (a) above, a report with regard to the assessment of forensic matters would be submitted by the Director: Internal Audit and Risk Assurance to the Acting City Manager.	Yes
06-Apr-16	6.4.2 (2) (i)	<p><b>Detailed Audit Reports:</b>  <b>(2) Chief Financial Officer / Budget and Treasury:</b>  <b>(i) Grants and Donor Funding 2014/15 (Agenda - 174):</b></p> <p>That the Director: Internal Audit and Risk Assurance submits an updated 2015/16 Planned Audit: Grants and Donor Funding at the next meeting of the Committee.</p>	No. The report was submitted a subsequent Audit Committee meeting.
06-Apr-16	6.4.2 (2) (ii) (a)	<p><b>Detailed Audit Reports:</b>  <b>(2) Chief Financial Officer / Budget and Treasury:</b>  <b>(ii) Irregular Expenditure Review - Interim Progress Report for the period 1 July to 8 December 2015 (Agenda p 180):</b></p> <p>That the Interim Progress on the Irregular Expenditure Review would be circulated to the Audit Committee before the next meeting of the Committee by the Chief Financial Officer.</p>	Yes



Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06-Apr-16	6.4.2 (2) (ii) (b)	That the Chief Financial Officer submits a report on the limitation of scope to the next meeting of the Committee.	Yes
06-Apr-16	6.4.2 (2) (iii) (a)	<p><b>Detailed Audit Reports:</b>  <b>(2) Chief Financial Officer / Budget and Treasury:</b>  <b>(iii) Status of Records - Quarter 2: 2015/16 financial year (Agenda p 185):</b></p> <p>That the Director: Internal Audit expand the scope of the Status of Records and submit a report at the next meeting of the Audit Committee.</p>	No. The report was submitted a subsequent Audit Committee meeting.
06-Apr-16	6.4.2 (2) (iii) (b)	That the Internal Audit Unit verify the declaration of interests submitted by employees to the supplier database of the Supply Chain Management Unit to confirm the ownership of companies that transacted with the Municipality.	No. The report was submitted a subsequent Audit Committee meeting.
06-Apr-16	6.4.2 (2) (iv) (a)	<p><b>Detailed Audit Reports:</b>  <b>(2) Chief Financial Officer / Budget and Treasury:</b>  <b>(iv) Data Analytics over Supply Chain Management Supplier Database: (Agenda p. 187)</b></p> <p>That the Chief Financial Officer submits the progress reports of the ISO9001 Quality Management System Steering Committee meetings to the Audit Committee.</p>	Yes
06-Apr-16	6.4.2 (2) (iv) (b)	That the Internal Audit Unit conduct further investigations into the top 10 suppliers contained in the Report : Data Analytics over Supply Chain Management Supplier Database.	No. The report was submitted a subsequent Audit Committee meeting.

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06-Apr-16	6.4.2 (2) (iv) (c)	That the Internal Audit Unit test the employee declarations to the Supply Chain Management supplier database of service providers.	No. The report was submitted a subsequent Audit Committee meeting.
06-Apr-16	6.4.2 (2) (iv) (d)	That the Chief Financial Officer raise the matter with National Treasury and the Accountant General that the Companies and Intellectual Properties Commission database no longer shows the transfer in shareholding of private companies and the impact thereof on detecting Related-Party transactions.	Yes
06-Apr-16	6.4.2 (2) (v) (a)	<p><b>Detailed Audit Reports:</b>  <b>(2) Chief Financial Officer / Budget and Treasury:</b>  <b>(v) Completeness of Income from Credit and Prepaid Electricity Sales (Agenda p 197):</b></p> <p>That the Internal Audit Unit perform a completeness test on the credit and prepaid electricity sales service providers and reconsider the limitation of scope of the Internal Audit Report: Completeness of Income from Credit and Prepaid Electricity Sales and the alternate audit procedures that could be performed.</p>	No. According to B&T various updates are being made to the system and work is still in progress. Only after this is done will additional testing be possible on the item previously raised as a limitation of scope.
06-Apr-16	6.4.2 (2) (v) (b)	That subject to (a) above, that the Internal Audit Unit submit an updated report on the Internal Audit Report: Completeness of Income from Credit and Prepaid Electricity Sales before the end of June 2016, to the Committee.	No. According to B&T various updates are being made to the system and work is still in progress. Only after this is done will additional testing be possible on the item previously raised as a limitation of scope.

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06-Apr-16	6.4.2 (3)	<p><b>Detailed Audit Reports:</b>  <b>(3) Chief Operating Officer:</b>  <b>(i) Performance Information reporting</b>  <b>Audit: 1st Quarter 2015/16 financial year</b>  <b>(Agenda p 206):</b></p> <p>That the Performance Information Reports had to be timeously submitted to each quarterly meeting of the Committee.</p>	Yes
06-Apr-16	6.6	<p><b>Auditor-General Matters:</b></p> <p>That the Manager: Auditor General of South Africa circulates the 2016/17 audit strategy of the Audit General South Africa to be considered at the next meeting of the Committee.</p>	Yes
06-Apr-16	7 (a) (i)	<p><b>General:</b>  That the agenda of the Audit Committee meeting:</p> <p>(i) be timeously prepared by the Internal Audit Unit and circulated to all Executive Directors to allow adequate time for preparation for meetings of the Audit Committee; and</p>	Yes
06-Apr-16	7 (a) (ii)	<p>(ii) must be approved and signed by the Audit Committee.</p>	Yes
06-Apr-16	7 (b)	<p>That a formal written report be submitted by the Auditor General of South Africa and included in the Audit Committee agenda, indicating whether there were any matters that should be considered by the Audit Committee.</p>	No. Verbal report to be given at the meeting.

Date of Committee	Item No. of minutes	Committee Recommendations during Year 2015/2016	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06-Apr-16	7 (c)	That the Audit Committee submits a report at each meeting indicating all the activities conducted by Audit Committee members with regard to the Nelson Mandela Bay Municipality between each scheduled Committee meeting.	Yes
06-Apr-16	11	<p><b>Updated listing of suspended officials as at 05 April 2016 (Item 3 - Supplementary Agenda p 121):</b></p> <p>That the Director: Internal Audit and Risk Assurance update the status of the Listing of Suspended Officials.</p>	Yes

## **APPENDIX H – LONG-TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS**

The Nelson Mandela Bay Municipality had no long-term contracts in place nor initiated any Public Private Partnerships during the review period.

# APPENDIX I – MUNICIPAL ENTITY / SERVICE PROVIDER PERFORMANCE SCHEDULE

KEY PERFORMANCE AREA AND KEY PERFORMANCE ELEMENT	KEY PERFORMANCE INDICATOR (Online Service Targets)	Year -1 TARGET 2014/15	Year -1 ACTUAL 2014/15	Year 0 TARGET 2015/16	Year 0 ACTUAL 2015/16	Year 1 TARGET 2016/17
<b>KPA: Special Cross-cutting Projects (Mandela Bay Development Agency)</b>	Percentage satisfaction with cleansing services in Port Elizabeth and Uitenhage Central Business District	80% satisfaction by June 2015	78.40%	85% satisfaction by June 2016	74.8%	N/A
<b>KPE: Cleansing services (Central Business Districts, Central and Uitenhage)</b>	Percentage satisfaction with security services in Port Elizabeth Central Business District	60% satisfaction by June 2015	32.50%	65% satisfaction by June 2016	60.7%	N/A

KEY PERFORMANCE AREA AND KEY PERFORMANCE ELEMENT	KEY PERFORMANCE INDICATOR (Online Service Targets)	Year -1 TARGET 2014/15	Year -1 ACTUAL 2014/15	Year 0 TARGET 2015/16	Year 0 ACTUAL 2015/16	Year 1 TARGET 2016/17
<b>KPA: Special Cross-cutting Projects (Mandela Bay Development Agency)</b> <b>KPE: Public Capital Projects</b>	Percentage completion of inner city renewal capital development projects	90% of Tramways Building redevelopment (Phase 1 completed)	80%	70% of Tramways Building Phase 2 redevelopment completed (in line with project plan) -	100% of Tramways Building Phase 2 redevelopment completed (in line with project plan) - Walkway, parking area, landscaping, fencing and	N/A

KEY PERFORMANCE AREA AND KEY PERFORMANCE ELEMENT	KEY PERFORMANCE INDICATOR (Online Service Targets)	Year -1 TARGET 2014/15	Year -1 ACTUAL 2014/15	Year 0 TARGET 2015/16	Year 0 ACTUAL 2015/16	Year 1 TARGET 2016/17
				Walkway, parking area, landscaping, fencing and garages	garages	
		N/A	N/A	15% of Vuyisile Mini Square Phase 1 development completed (in line with project plan)	0% of Vuyisile Mini Square Phase 1 development completed	10%
<b>KPA: Integrated Service Delivery to a Well-structured City</b> <b>KPE: Facilitating Public Capital Projects</b>	% completion of precinct plan for Bayworld upgrade	N/A	N/A	N/A	N/A	100%
	% completion of the Stadium Precinct Plan	N/A	N/A	N/A	N/A	100%
	% completion of Schauderville/ Korsten Precinct development (Phase 1)	N/A	N/A	N/A	N/A	100%
	% completion of the remedial work of the exterior structure of the Campanile	N/A	N/A	N/A	N/A	90%

KEY PERFORMANCE AREA AND KEY PERFORMANCE ELEMENT	KEY PERFORMANCE INDICATOR (Online Service Targets)	Year -1 TARGET 2014/15	Year -1 ACTUAL 2014/15	Year 0 TARGET 2015/16	Year 0 ACTUAL 2015/16	Year 1 TARGET 2016/17
KPA: Special Cross-cutting Projects (Mandela Bay Development Agency) KPE: Public Capital Projects KPA: Special Cross-cutting Projects (Mandela Bay Development Agency) KPE: Public Capital Projects	Percentage completion of Township Rejuvenating projects	50% of Red Location Singaphi Road, upgrade (Phase 1) completed	88%	90% of Red Location Singaphi Road upgrade Phase 2 completed	95%	70% (Phase 3)
		N/A	N/A	100% of Veeplaas Business Incubator Building upgrade completed (in line with project plan)	63%	N/A
		N/A	N/A	25% of New Brighton Swimming Pool completed (in line with project plan)	0%	50%
KPA: Special Cross-cutting Projects (Mandela Bay Development Agency) KPE: Public Capital Projects	Number of Helenvale precinct areas upgraded through construction of sidewalks and pedestrian walkways	N/A	N/A	3 (Gaaf to Hillcrest Primary School, Fitchard Street to Bayview)	0	100%



KEY PERFORMANCE AREA AND KEY PERFORMANCE ELEMENT	KEY PERFORMANCE INDICATOR (Online Service Targets)	Year -1 TARGET 2014/15	Year -1 ACTUAL 2014/15	Year 0 TARGET 2015/16	Year 0 ACTUAL 2015/16	Year 1 TARGET 2016/17
				Primary School, Reginald to Helenvale Primary School)		

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

### DECLARATION OF INTEREST (*EMPLOYEE LIST*)

NAME	EMPLOYEE NO.	NAME OF BUSINESS	NATURE OF BUSINESS	COMMENTS	DATE OF DECLARATION
BUDGET AND TREASURY DIRECTORATE					
Kramer, KA	Not stated	East Cape Training Centre (ETC) (Non-executive Director)			16 April 2012
Minnaar, B	Not stated	BF Gardens cc			17 April 2012
Ngcelwane, MJ	24990	Sir Ngce Consulting and Services			7 November 2012
Toyi, C	20715	Toyi Agencies cc			27 June 2012
Harper, JT	90001533	N/A	N/A	N/A	28 July 2014
Coetzee, Z	402005	N/A	N/A	N/A	11 March 2015/26 August 2015
Jonas, TJ	20040	Lemuel Solutions (Pty) Ltd		Frank Matthew Jonas, ID No. 6409185087084, spouse of Mrs Tanya Joy Jonas, is a Director of Lemuel Solutions (Pty) Ltd.	26 August 2015
Thys, S	13784	N/A	N/A	N/A	27 August 2015
Nogqala, M	21061	Babalwa Benediction Nogqala			21 November 2016
SUB-TOTAL	9				
CORPORATE SERVICES DIRECTORATE					
Brophy, S	Not stated	To Dine for Trading		Daughter, Debbie Roberson	15 May 2012
Fibi, N	20303	Mguda Retail Business Enterprize			24 April 2012
Godlwana, T	66815				1 March 2013
Makalima, K	Not stated	365 Days Promotions and Projects (Pty) Ltd			4 February 2014

NAME	EMPLOYEE NO.	NAME OF BUSINESS	NATURE OF BUSINESS	COMMENTS	DATE OF DECLARATION
Ngcezula, Z	22152	Sethu Mavuyi Trading Company (Pty) Ltd			4 March 2013
Nhose, P	2192	Amagqiyazana Social-economic and Environmental Development Co-operative Ltd			23 May 2012
Nyati, T	24691	Ezimnandi Production and Beaumont Records Rise in Peace 1 Africa Concepts (Pty) Ltd Sara Nyati Trust Fund			16 May 2013
Sigonyela, J	22192	Umziwoxolo Construction cc	General construction service, i.e. painting, cleaning, plumbing	Fikiswo Fellicit Zolwana, ID No. 7002220829088, spouse of Mr J Sigonyela, is a member of the Close Corporation which operates as a general construction service providing to clients work like painting, cleaning, plumbing and that intends to actively pursue business opportunities within the Municipality. He hereby declares that he has no business interest in or connection with said firm.	11 November 2011
Handile, NA	20634	Abonelelwe Dynamic Trading			December 2014
Jamela, VR	19829	N/A	N/A	Spouse – Driver/Director	26 February 2015
Jamda, SC	20183	N/A	N/A	N/A	29 April 2015
Makalima, K	Not stated	N/A	N/A	N/A	28 August 2015
<b>SUB-TOTAL</b>	<b>12</b>				

NAME	EMPLOYEE NO.	NAME OF BUSINESS	NATURE OF BUSINESS	COMMENTS	DATE OF DECLARATION
<b><i>ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES DIRECTORATE</i></b>					
Mandaba, NS	21180	Zithande Events		Sole member	14 April 2014
Mxenge, L		Razosol (Pty) Ltd Seda Construction Incubator Seda Nelson Mandela Bay ICT Incubator			16 April 2012
<b>SUB-TOTAL</b>	<b>2</b>				
<b><i>ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE DIRECTORATE</i></b>					
Ngubelange, T	22314	N/A	N/A	N/A	16 April 2015
<b>SUB-TOTAL</b>	<b>1</b>				
<b><i>INFRASTRUCTURE AND ENGINEERING DIRECTORATE</i></b>					
Motsepe, P	Not stated	Miosa cc Bravoscan Tshika Manufacturing Lonadi Agencies Trust			29 April 2012
Mti, SS	61832	Talitali Simanye Enterprise (Pty) Ltd			22 April 2015
Badi, L	406152	N/A	N/A	N/A	30 January 2015
Muthayan, A	08/00/19646	N/A	N/A	N/A	24 April 2015
Nogaya, S	08/00/23177	N/A	N/A	N/A	24 April 2015
Bruintjies, C	21333	N/A	N/A	N/A	24 April 2015
Myburgh, R	18605	N/A	N/A	N/A	24 April 2015
Tshamase, MM	22633	Mawela Trust – Bomawela (Pty) Ltd	N/A	Trustee	24 April 2014
Myalato, ET	90002334	(1) 2M Driving School (2) 2M Tours and Logistics (3) Adiodex (Pty) Ltd		Mrs N Myalato, spouse of Mr ET Myalato, is the Director of 2M Driving School and 2M Tours and Logistics and is also a shareholder and Director of Adiodex (Pty) Ltd	27 August 2015
<b>SUB-TOTAL</b>	<b>9</b>				

NAME	EMPLOYEE NO.	NAME OF BUSINESS	NATURE OF BUSINESS	COMMENTS	DATE OF DECLARATION
<b>SAFETY AND SECURITY DIRECTORATE</b>					
Bentley, B	12619	Bentley Construction			17 April 2012
<b>SUB-TOTAL</b>	<b>1</b>				
<b>PUBLIC HEALTH DIRECTORATE</b>					
Le Roux, R	406097	Le Roux Incorporated			18 April 2012
Mokonenyane, T	22884	N/A	N/A	N/A	22 April 2015
Dyakala, AN	19718	N/A	N/A	N/A	13 July 2015
Tolom, AW	17902	Ubomi Africa Promotion	Transportation and Trading	N/A	26 August 2015
Blaauw, R	24802	N/A	N/A	N/A	11 August 2015
Vetyeka, B	24694	N/A	N/A	N/A	26 August 2015
<b>SUB-TOTAL</b>	<b>6</b>				
<b>ELECTRICITY AND ENERGY DIRECTORATE</b>					
Neilson, P	408006		Consulting Engineers		30 July 2013
Basson, M	11637	N/A	N/A	N/A	16 February 2015
Anderson, G	13790	N/A	N/A	N/A	20 April 2015
Hempel, C	20227	N/A	N/A	N/A	17 April 2015
Weyer, NI	12739	N/A	N/A	N/A	14 May 2015
Mathew, S	1575	N/A	N/A	N/A	25 August 2015
<b>SUB-TOTAL</b>	<b>6</b>				
<b>HUMAN SETTLEMENTS DIRECTORATE</b>					
Beattie, LS	9166	N/A	N/A	N/A	25 July 2014
Msimanga, M	90000391	N/A	N/A	N/A	26 August 2015
Ngculu, PN	90002717	Xelor Group Reg. No. 2015/412199/07	N/A	N/A	2 February 2016
<b>SUB-TOTAL</b>	<b>3</b>				
<b>OFFICE OF THE CHIEF OPERATING OFFICER</b>					
Ganyaza, JM	22631	N/A	N/A	N/A	20 April 2015
<b>SUB-TOTAL</b>	<b>1</b>				

NAME	EMPLOYEE NO.	NAME OF BUSINESS	NATURE OF BUSINESS	COMMENTS	DATE OF DECLARATION
<b>OFFICE OF THE CITY MANAGER</b>					
Chan, B	14096	N/A	N/A	N/A	24 August 2015
<b>SUB-TOTAL</b>	<b>1</b>				
<b>TOTAL</b>	<b>49</b>				

**(COUNCILLOR LIST)**

NAME	NAME OF BUSINESS	NATURE OF BUSINESS	DATE OF DECLARATION
Harning, ME		Renting of properties (not registered business)	17 April 2012
Naran, B	DV & B Naran cc Lotus Steam Laundry cc Lengro Mercantile Property Investments Protea Enterprises Prepaid vending system		19 April 2012
<b>TOTAL</b>	<b>2</b>		

**36 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE  
MANAGEMENT ACT**

**36.3 Suppliers in which close family members of employees, councillors/  
directors or Mayor has an interest**

Name of Individual	Name of Company	Interest in Company	Municipality	
			2016	Restated 2015
			R	R
			<b>Economic Entity and Municipality Payments made</b>	
S Brophy	To Dine for Trading	Child is a member of the CC	0	98,060
ME Jarvis (Councillor)	Keypoint Consulting CC	Spouse is a member of the CC	0	54,606
Family of employees who have an interest in a supplier			174,082,533	29,372,742
			<b>174,082,533</b>	<b>29,525,408</b>
Although a related party relationship does exist as awards were made to suppliers in which close family members of employees have an interest, these transactions were in the ordinary course of business at market related rates. However this disclosure has been included as required by SCM regulation 45.				
Although a related party relationship does exist, contracts were awarded to certain councillors and officials in which they have an interest. These transactions were made in the ordinary course of business at market related rates. However this disclosure has been included as required by SCM regulation 44.			16,037,085	10,086,822

			Municipality	
			2016	Restated 2015
			R	R
			Economic Entity and Municipality Payments made	
Name of Individual	Name of Company	Interest in Company		
S Brophy	To Dine for Trading	Child is a member of the CC	0	98,060
ME Jarvis (Councillor)	Keypoint Consulting CC	Spouse is a member of the CC	0	54,606
Family of employees who have an interest in a supplier			174,082,533	29,372,742
			<b>174,082,533</b>	<b>29,525,408</b>

Although a related party relationship does exist as awards were made to suppliers in which close family members of employees have an interest, these transactions were in the ordinary course of business at market related rates. However this disclosure has been included as required by SCM regulation 45.

Although a related party relationship does exist, contracts were awarded to certain councillors and officials in which they have an interest. These transactions were made in the ordinary course of business at market related rates. However this disclosure has been included as required by SCM regulation 44.

16,037,085      10,086,822

**APPENDIX K(I) - Revenue Collection Performance by Vote**

Revenue Collection Performance by Vote						
	R' 000					
	2014/15	Current: 2015/16			2015/16 Variance	
Vote Description	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Budget and Treasury	2547443154.00	2452249260.00	2511410550.00	2675494855.00	8.34%	6.13%
Vote 2 - Public Health	283325933.00	369305170.00	381686610.00	298994183.00	-23.52%	-27.66%
Vote 3 - Human Settlements	729208805.00	595215430.00	729203880.00	476184137.00	-25.00%	-53.13%
Vote 4 - Economic Development, Tourism and Agriculture	128945899.00	148508212.00	152684182.00	109034622.00	-36.20%	-40.03%
Vote 5 - Corporate Services	19828089.00	19502960.00	32087150.00	31693475.00	38.46%	-1.24%
Vote 6 - Rate and General Services	297660571.00	454311180.00	287198010.00	147279004.00	-208.47%	-95.00%
Vote 7 - Water Services	803147170.00	959791270.00	982361020.00	996551649.00	3.69%	1.42%
Vote 8 - Sanitation Services	716758724.00	965986270.00	963875270.00	750763713.00	-28.67%	-28.39%
Vote 9 - Electricity and Energy	3275521006.00	3729081190.00	3750890500.00	3700541521.00	-0.77%	-1.36%
Vote 10 - Executive and Council	2639288.00	1316900.00	6630680.00	6357385.00	79.29%	-4.30%
Vote 11 - Safety and Security	60569775.00	33812240.00	247832100.00	247644287.00	86.35%	-0.08%
Vote 12 - Nelson mandela bay Stadium	42111565.00	48500000.00	48500000.00	50931696.00	4.77%	4.77%
Vote 13 - Strategic Programmes Directorate	37689499.00	31362490.00	33307750.00	22425555.00	-39.85%	-48.53%
Vote 14 - Recreational and Cultural Services	33859014.00	38573130.00	42498990.00	33058195.00	-16.68%	-28.56%
<b>Total Revenue by Vote</b>	<b>8978708492.00</b>	<b>9847515702.00</b>	<b>10170166692.00</b>	<b>9546954277.00</b>	<b>-3.15%</b>	<b>-6.53%</b>
						T K.1



## APPENDIX K (II) – REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	2014/15	2015/16			2015/16 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	1332134909.00	1504945280.00	1570445280.00	1519447232.00	0.95%	-3.36%
Property rates - penalties & collection charges	0.00	0.00	0.00	0.00	#DIV/0!	#DIV/0!
Service Charges - electricity revenue	3085314437.00	3519221730.00	3519221730.00	3463707138.00	-1.60%	-1.60%
Service Charges - water revenue	519527626.00	639699040.00	639699040.00	660223226.00	3.11%	3.11%
Service Charges - sanitation revenue	323716434.00	436337720.00	451837720.00	377421013.00	-15.61%	-19.72%
Service Charges - refuse revenue	130907080.00	222075780.00	225663780.00	144592019.00	-53.59%	-56.07%
Service Charges - other	0.00	0.00	0.00	0.00	#DIV/0!	#DIV/0!
Rentals of facilities and equipment	18378235.00	23342190.00	23399730.00	20717550.00	-12.67%	-12.95%
Interest earned - external investments	83585032.00	70145280.00	82070410.00	113430802.00	38.16%	27.65%
Interest earned - outstanding debtors	151069972.00	159326810.00	159306810.00	160681527.00	0.84%	0.86%
Dividends received	0.00	0.00	0.00	0.00	#DIV/0!	#DIV/0!
Fines	40884562.00	11861110.00	226837060.00	223579941.00	94.69%	-1.46%
Licences and permits	9695407.00	11963160.00	11610910.00	9332097.00	-28.19%	-24.42%
Agency services	2246476.00	2428460.00	2428460.00	2345495.00	-3.54%	-3.54%
Transfers recognised - operational	1486059536.00	1327271470.00	1515365450.00	1143608333.00	-16.06%	-32.51%
Other revenue	1010154718.00	956838240.00	961006920.00	930327677.00	-2.85%	-3.30%
Gains on disposal of PPE	829981.00	0.00	28000.00	27900.00	100.00%	-0.36%
Environmental Protection	0.00	0.00	0.00	0.00	#DIV/0!	#DIV/0!
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>8194504405.00</b>	<b>8885456270.00</b>	<b>9388921300.00</b>	<b>8769441950.00</b>	<b>-1.32%</b>	<b>-7.06%</b>

**APPENDIX L – CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG**

Conditional Grants: excluding USDG						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Finance Management Grant	1,050,000	1,050,000	1,050,000	0.00%	0.00%	
Public Transport Networks Grant	150,000,000	150,000,000	26,385,789	-468.49%	-468.49%	Non-operationalisation of IPTS
Smart Grid Initiative	0	1,809,900	13,848,064	100.00%	86.93%	
Public Transport Infrastructure Grant	222,256,000	36,128,000	10,291,918	-2059.52%	-251.03%	Due to historic poor spending National Treasury reduced DORA Grant. Non-operationalisation of IPTS
Provincial Department of Human Settlements: Accreditation Grant	0	13,973,784	5,833,027	100.00%	-139.56%	Roll over to 2016/17 not approved
Municipal Human Settlements Capacity Grant	9,847,000	33,082,275	25,329,351	61.12%	-30.61%	
Provincial Government Grants: Library Services	9,752,000	9,752,000	9,752,000	0.00%	0.00%	
Integrated National Electrification Programme Grant	35,500,000	35,500,000	35,500,000	0.00%	0.00%	
Housing	310,905,000	410,905,000	222,588,906	-39.68%	-84.60%	
EU Sector Policy Support Grant	0	10,366,174	756,107	100.00%	-1270.99%	Poor spending
National Lotteries Grant	0	3,693,537	3,033,148	100.00%	-21.77%	
CDC Walmer Intervention Funding Grant	0	7,248,000	0	0.00%	0.00%	

Conditional Grants: excluding USDG						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Grant	20,000,000	0	0	0.00%	0.00%	
Infrastructure Skills Development Grant	9,000,000	9,248,644	8,671,712	-3.79%	-6.65%	
EPWP Incentive Grant	8,664,000	8,664,000	8,664,000	0.00%	0.00%	
Groen Sebenza (SANBI) Grant	215,875	215,875	215,875	0.00%	0.00%	
Integrated City Development Grant	5,708,000	5,708,000	3,985,226	-43.23%	-43.23%	
Vuna Awards	0	0	15,294	100.00%	100.00%	
Off-Grid Electrification Grant	0	22,000,000	19,160,575	100.00%	-14.82%	
LGSETA Discretionary Learnership Funding	4,500,000	8,888,490	9,985,035	54.93%	10.98%	
Provincial Department Agency: Communication Grant	0	0	5,200,970	100.00%	100.00%	
Health Subsidies	1,957,280	4,499,280	3,333,875	41.29%	-34.96%	
Other Grants:	39,558,817	53,999,588	16,363,263	-141.75%	-230.01%	
<b>Total</b>	<b>828,913,972</b>	<b>826,732,547</b>	<b>429,964,135</b>	<b>-92.79%</b>	<b>-92.28%</b>	

## ANNEXURE M – CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

### APPENDIX M (I) – CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	2014/15	2015/16			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/17	2017/18	2018/19
Capital expenditure by Asset Class							
<b>Infrastructure</b>	471,317	599,591	487,467	525,717	449,103	689,319	713,694
Infrastructure - Road transport	146,622	280,670	134,186	145,455	105,589	357,229	397,158
<i>Roads, Pavements &amp; Bridges</i>	111,863	264,670	134,186	145,455	105,589	357,229	397,158
<i>Storm water</i>	34,759	16,000					
Infrastructure - Electricity	57,916	63,140	83,700	98,622	45,202	55,088	55,588
<i>Generation</i>							
<i>Transmission &amp; Reticulation</i>	46,889	39,140	59,700	60,298	39,702	43,088	40,088
<i>Street Lighting</i>	11,027	24,000	24,000	38,324	5,500	12,000	15,500
Infrastructure - Water	61,476	83,103	95,103	91,720	53,000	34,000	36,250
<i>Dams &amp; Reservoirs</i>							
<i>Water purification</i>	2,484				2,000	2,000	2,000
<i>Reticulation</i>	58,992	83,103	95,103	91,720	51,000	32,000	34,250
Infrastructure - Sanitation				9,715			
<i>Reticulation</i>							
<i>Sewerage purification</i>				9,715			
Infrastructure - Other	205,303	172,678	174,478	180,205	245,312	243,002	224,698

Capital Expenditure - New Assets Programme*							
R '000							
Description	2014/15	2015/16			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/17	2017/18	2018/19
Waste Management							
Transportation							
Gas							
Other	205,303	172,678	174,478	180,205	245,312	243,002	224,698
<b>Community</b>	127,151	78,060	85,745	18,415	34,907	29,348	13,500
Parks & gardens							
Sportsfields & stadia		1,000	1,500	573	12,500		
Swimming pools							
Community halls							
Libraries							
Recreational facilities	16,301	61,000	56,900	7,217	5,000	6,500	8,500
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries		8,000	10,600		10,500	7,000	5,000
Social rental housing							
Other	110,850	8,060	16,745	10,624	6,907	15,848	
Table continued next page							

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<b>Capital Expenditure - New Assets Programme*</b>							
<b>R '000</b>							
	<b>2014/15</b>	<b>2015/16</b>			<b>Planned Capital expenditure</b>		
<b>Description</b>	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
Capital expenditure by Asset Class							
Heritage assets - Total							
Buildings							
Other							
Investment properties - Total							
Housing development							
Other							
Other assets	49,098	79,448	111,452	64,150	63,400	70,750	103,290
General vehicles	6,312	13,700	21,462	20,322	19,550	21,500	38,840
Specialised vehicles	917	8,000	21,450	8,615	9,600	12,750	12,500
Plant & equipment	30,410	20,748	21,298	12,194	19,600	19,000	29,200
Computers - hardware/equipment		2,370	3,362	3,982	1,500	1,500	500
Furniture and other office equipment	2,893	2,500	2,500		3,000	1,000	1,000
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings	5,728	15,130	23,780	12,958	9,650	12,000	16,250
Other Land			600				

Capital Expenditure - New Assets Programme*							
R '000							
Description	2014/15	2015/16			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/17	2017/18	2018/19
Surplus Assets - (Investment or Inventory)							
Other	2,838	17,000	17,000	6,080	500	3,000	5,000
Agricultural assets							
List sub-class							
Biological assets							
List sub-class							
Intangibles	29,563	76,850	76,850	39,136	26,000	24,000	2,500
Computers - software & programming	29,563	76,850	76,850	39,136	26,000	24,000	2,500
Other (list sub-class)							
Total Capital Expenditure on new assets	677,129	833,949	761,514	647,417	573,410	813,417	832,984
Specialised vehicles	917	8,000	21,450	8,615	9,600	12,750	12,500
Refuse	917	8,000	21,450	8,615	8,000	8,000	8,000
Fire					1,600	4,750	4,500
Conservancy							
Ambulances							

## APPENDIX M (II) – CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	2014/15	2015/16			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/17	2017/18	2018/19
Capital expenditure by Asset Class							
Infrastructure - Total	660,724	619,128	606,845	533,308	628,545	715,517	768,504
Infrastructure: Road transport -Total	120,228	113,800	104,997	75,762	53,700	60,200	59,750
Roads, Pavements & Bridges	94,125	41,700	51,957	75,762	36,000	34,000	40,000
Storm water	26,103	72,100	53,040				
Infrastructure: Electricity - Total	148,784	145,852	141,052	112,720	150,042	150,160	147,710
Generation					3,000	3,500	6,500
Transmission & Reticulation	148,784	145,852	141,052	112,720	147,042	146,660	141,210
Street Lighting							
Infrastructure: Water - Total	114,326	76,900	83,553	90,718	107,000	151,050	180,100
Dams & Reservoirs	3,523	400	425		10,500	17,500	32,500
Water purification	16,789	40,000	29,740		14,000	29,000	28,000
Reticulation	94,014	36,500	53,388	90,718	82,500	104,550	119,600
Infrastructure: Sanitation - Total	263,189	264,450	247,450	223,031	300,750	327,267	335,611
Reticulation	142,681	130,450	113,330		172,650	191,300	200,800
Sewerage purification	120,508	134,000	134,120	223,031	128,100	135,967	134,811
Infrastructure: Other - Total	14,197	18,126	29,793	31,078	17,053	26,840	45,333
Waste Management	6,443	5,000	20,450	23,223	6,000	6,000	8,000
Transportation							
Gas							



<b>Capital Expenditure - Upgrade/Renewal Programme*</b>							
<b>R '000</b>							
<b>Description</b>	<b>2014/15</b>	<b>2015/16</b>			<b>Planned Capital expenditure</b>		
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
Other	7,754	13,126	9,343	7,855	11,053	20,840	37,333
Community	49,454	31,583	46,615	75,148	41,000	42,000	43,500
Parks & gardens	2,026	2,933	2,933	2,626	2,000	2,000	2,000
Sportsfields & stadia	15,242	14,000	28,168	58,483	23,000	22,500	18,000
Swimming pools	85	1,500	1,500		3,000	4,000	4,000
Community halls	3,294	3,150	4,015	3,909	4,500	1,500	5,500
Libraries							
Recreational facilities	22,768	7,500	7,500	7,055	5,500	9,000	8,500
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries	6,038	2,500	2,500	3,075	3,000	3,000	5,500
Social rental housing			-				
Other	-	-	-	-			
Heritage assets							
Buildings							
Other							
Table continued next page							

Table continued from previous page

<b>Capital Expenditure - Upgrade/Renewal Programme*</b>							
<b>R '000</b>							
<b>Description</b>	<b>2014/15</b>	<b>2015/16</b>			<b>Planned Capital expenditure</b>		
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
Capital expenditure by Asset Class							
Investment properties							
Housing development							
Other							
Other assets	60,103	61,730	62,280	49,143	52,216	48,994	46,550
General vehicles							
Specialised vehicles							
Plant & equipment	11,639	10,500	10,500	10,008	6,500	9,000	9,000
Computers - hardware/equipment	4,289	6,500	4,700		5,500	5,500	7,500
Furniture and other office equipment			730		2,016		
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings	15,823	44,730	46,350	33,497	38,200	34,494	30,050
Other Land	14,300						
Surplus Assets - (Investment or Inventory)							
Other	14,052			5,639			
Agricultural assets							
List sub-class							

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	2014/15	2015/16			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/17	2017/18	2018/19
Biological assets							
List sub-class							
Intangibles	3,209	11,500	11,300	4,303	16,500	6,000	6,500
Computers - software & programming	3,209	11,500	11,300	4,303	16,500	6,000	6,500
Other ( <i>list sub-class</i> )							
Total Capital Expenditure on renewal of existing assets	773,490	723,940	727,040	661,902	738,261	812,511	865,054
Specialised vehicles							
Refuse							
Fire							
Conservancy							
Ambulances							

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT: YEAR 0 (2013/14)

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Water</b>					
Improvements to System - General	4,000	14,000	14,647	4%	73%
Elandsjagt - Upgrade to Restore Capacity	13,000	28,000	32,902	15%	60%
Reservoir Fencing	400	400	321	-25%	-25%
Rehabilitation of Reservoirs		25	62	60%	100%
Loerie Treatment Works: Rehabilitation	4,000	880	2,749	68%	-45%
Installation of Zone Water meters	2,000	2,000	1,140	-76%	-76%
Purchase of Water Meters - Metro	8,000	8,000	10,896	27%	27%
Upgrade of Groendal Water Treatment Works	25,000	18,860	22,717	17%	-10%
Construction of Amanzi Reservoir and Pipeline			166	100%	100%
Seaview Bulk Water	1,000		196	100%	-409%
Construction of a 1,0 Ml reclaimed effluent reservoir: Uitenhage			238	100%	100%
Water Services Maintenance Backlog: Pipelines	2,000		-		
Office Accommodation: Water	4,000	1,250	115	-983%	-3365%
Metro Water: Master Plan	1,000	1,096	893	-23%	-12%
Nooitgedagt / Coega Low Level Scheme	72,103	85,103	76,719	-11%	6%
Seaview Pump Station: Upgrade	4,000	1,265	280	-352%	-1328%
Upgrading of Churchill Water Treatment Works	6,000	6,000	5,596	-7%	-7%
Coega Reclaimed Effluent Scheme	1,000		-		
Rudimentary Service: Water	500	500	490	-2%	-2%
Groendal Dam: Rock Stabilisation and Improved Outlet		555	593	6%	100%
Access Roads: Upgrade	1,000	500			
Telemetry Systems: Upgrade	1,000	1,000	847	-18%	-18%
Purchase New Vehicles	2,500	4,054	4,072	0%	39%
Groundwater Investigation	5,000	3,000	4,258	30%	-17%
Desalination Augmentation	4,000	3,000	2,965	-1%	-35%
Rehabilitation of Pipe Bridges		415	664	37%	100%
Bulk Water Metering and Control	2,000	1,000	796	-26%	-151%
Water Service Maintenance Backlogs: Pump Stations	4,000	3,500	2,303	-52%	-74%
<b>Sanitation/Sewerage</b>					
Sewer Replacement and Relining	8,000	2,400	1,117	-115%	-616%
Improvements to Sewerage System	9,000	28,300	18,744	-51%	52%
Chatty Valley Collector Sewer Stage 1 (nodes 20 -24)	2,000	15,800	12,263	-29%	84%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Replacement of Sewerage Collection Vehicles & Equipment	2,500	5,515	5,921	7%	58%
Paapenkuis Main Sewers Augmentation	5,000	5,000	3,000	-67%	-67%
Telemetry - Pump Stations	400	400	383	-4%	-4%
WWTW - Sludge Treatment and disposal facilities	200		-		
WWTW: Building Repairs and Concrete Rehab.	6,300		-		
Lorraine - Bulk Sewerage Augmentation	36,500	250	132	-89%	-27462%
Markman - Replace 600mm Sewer	500	500	400	-25%	-25%
Rockland PHB Housing Project: Wastewater Treatment Works	100	100	51	-96%	-96%
Upgrade Despatch Reclamation Works	2,000	1,200	1,123	-7%	-78%
Witteklip Bulk Sewerage	1,000	450	113	-299%	-787%
Seaview Bulk Sewer	1,000	450			
Sewers: Maintenance Backlog		3,600	4,874	26%	100%
Sewerage Master Plan	250	250	325	23%	23%
Office Accommodation : Sanitation	2,000	85	47	-81%	-4152%
Augment Collector Sewer for Walmer Heights and Mt Pleasant			204	100%	100%
WWTW : SCADA / Telemetry links	100	100			
Improve access roads	1,000		-		
Rudimentary Services: Sanitation	2,000	2,000	1,808	-11%	-11%
Bucket Eradication Programme	27,000	10,600	1,988	-433%	-1258%
Driftsands WWTW Phase 3 extension	2,000	4,106	6,495	37%	69%
Cape Recife WWTW : Upgrade	1,000	2,500	2,990	16%	67%
Colchester - Sewer Reticulation	100		-		
Colchester - Bulk Sewerage Infrastructure & WWTW	500		-		
Jagtlvakte Bulk Sewerage	1,000	500	895	44%	-12%
Motherwell North Bulk Sewerage	1,000	5,580	2,861	-95%	65%
Motherwell/ Coega WWTW and Outfall Sewer		6,600	5,960	-11%	100%
Driftsands Collector Sewer – Augmentation	900	900			
Sewerage Pump Station : Maintenance Backlog	7,000	14,200	14,776	4%	53%
Rehabilitation of Kwazakhele Collector Sewer	1,500	500	157	-219%	-858%
Kwanobuhle WWTW : Upgrading	4,000	2,000	1,403	-43%	-185%
Kelvin Jones WWTW: Upgrade	17,000	12,000	11,092	-8%	-53%
Brickfields: Upgrade	13,100	2,000	1,690	-18%	-675%
Fishwater Flats WWTW Upgrade	87,000	103,914	115,750	10%	25%
TEI: Sampling Stations	400	400			
Reclaimed Wastewater	200	200			
Motherwell Main Sewer Upgrade	1,000		-		
Swartkops Low Level Collector Sewer Upgrade	7,000	600	26	-2185%	-26564%
Bulk Sewers Joe Slovo, Mandelaville, Allenridge West UIT	2,000	750	604	-24%	-231%
Industrial Site (Airport Valley) - Bulk Sewer	1,000		305	100%	-228%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
KwaNobuhle Area 11 - Link Sewer	15,000	18,900	21,217	11%	29%
Upgrade and Rehabilitation of the Korsten Dry Lake Area	400	400			
<b>Electricity</b>					
Radio & Test Equipment	2,000	800	829	4%	-141%
Non Electrification Areas - Service Connections	3,000	3,000	3,121	4%	4%
Electricity Buildings improvements	2,500	2,500	3,982	37%	37%
Low Voltage Reticulation Improvement	800	800	744	-7%	-7%
Miscellaneous Mains and Substations	20,000	20,000	19,537	-2%	-2%
Peri-Urban Network	1,333	1,333	402	-231%	-231%
Private Township Development	15,000	15,000	4,711	-218%	-218%
Informal Housing Electrification	36,140	36,140	37,810	4%	4%
Public Lighting	16,000	16,000	38,324	58%	58%
Meters and Current Transformers	2,000	3,200	2,839	-13%	30%
Supervisory Control Systems Upgrade	2,000	2,000	1,992	0%	0%
Reinforcement of Electricity Network - Redhouse	89	350			
Reinforcement of Electricity Network - Wells Estate	1,333	1,083	962	-13%	-39%
Reinforcement of Electricity Network - Summerstrand	1,300	1,300	654	-99%	-99%
Reinforcement of Electricity Network - Newton Park	889	889	8	-11141%	-11141%
Reinforcement of Electricity Network- Bethelsdorp 11 kV	772	772	778	1%	1%
Cable Replacement 6.6kV	2,000	3,200	2,715	-18%	26%
Replacement of MV Switchgear				100%	100%
Relay Replacement	3,000	3,000	4,137	27%	27%
Distribution Kiosk Replacement	2,000	2,000	1,972	-1%	-1%
Reinforcement of Electricity Network - Malabar/ Helenvale	444	444	380	-17%	-17%
Coega Reinforcement	15,000	15,000	20,378	26%	26%
Substation Security Alarm Upgrade	7,000	7,000	9,892	29%	29%
Reinforcement of Electricity Network - Korsten	1,207	1,207			
Uitenhage / Despatch SCADA			39	100%	100%
Reinforcement of Electricity Network - Ibhayi	622	622	623	0%	0%
Reinforcement of Electricity Network - Uitenhage	2,225	875	2,092	58%	-6%
New/Replacement of plant and motor vehicles	3,500	3,500	3,102	-13%	-13%
Reinforcement of Electricity Network - Mount	1,000	1,000	80	-1149%	-1149%
Computer Systems Upgrade	1,500	1,500	1,433	-5%	-5%
Reinforcement of Electricity Network - Despatch	274	776	425	-82%	36%
Reinforcement of Electricity Network - Walmer Lorraine	1,314	1,314	3,054	57%	57%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Reinforcement of Electricity Network - Hunters	2,000	2,000	839	-138%	-138%
Overhead Lines Refurbishment	6,000	6,000	3,482	-72%	-72%
MV and HV Switchgear replacement	14,000	14,000	8,352	-68%	-68%
Reinforcement of Electricity Network - Western	2,000	1,837	81	-2177%	-2379%
HV Network Reinforcement - Overhead Cabling	24,000	19,000	7,423	-156%	-223%
HV Line Refurbishment (66 & 132kV)	4,000	5,150	4,763	-8%	16%
Replace Switchgear in Mini susbs - KwaNobuhle	250	250	223	-12%	-12%
Control Room Upgrade	3,500	3,500	116	-2926%	-2926%
Gas Turbine Refurbishment	2,000				
Substation Fibre Optic Backbone	2,000	2,000	2,000	0%	0%
Fairview Refurbishment	2,000	2,000	1,806	-11%	-11%
HV Network Reinforcement - Underground Cabling			1	100%	100%
HV Network Reinforcement - New Substations	4,500	4,500	4,919	9%	9%
Relocation of Existing Electrical Service	5,500	5,500	5,246	-5%	-5%
Automation of Substations			(2)	100%	100%
Walmer Intervention Programme		1,000	624	-60%	100%
Refurbishment of Power Transformers	7,000	7,000	7,057	1%	1%
HV Cable Oil Pressure Plant	800	800			
North Depot Improvements	2,000	1,650	382	-331%	-423%
Munelk Yard Resealing	2,000	2,000	3,884	49%	49%
Smart Grid Initiative Programmes		14,560	13,848	-5%	100%
NMBM-Amat Prepaid meter project		5,000	4,895	-2%	100%
<b>Waste Management Services</b>					
Replacement of Refuse Compactors	8,000	21,450	8,615	-149%	7%
Urban Refuse Transfer Recycling Stations	3,000	1,000	836	-20%	-259%
Waste Management Containers	2,700	870	870	0%	-210%
Development of Waste Disposal Facilities	2,000	22,780	22,387	-2%	91%
<b>Housing</b>					
Vehicles -Human Settlements (Services)		1,200	1,008	-19%	100%
Land Acquisition - Human Settlements		600	600	0%	100%
Joe Slovo - Uitenhage Phase 1- Human Settlements (Services)		650	890	27%	100%
Wells Estate Phase 3 - Ext 4 & 5-Human Settlements(Services)		80	388	79%	100%
Khayamandi Extension - Human Settlement (Services)	17,465	17,165	13,611	-26%	-28%
Missionvale Garden Lots - Human Settlement (Services)	5,625	16,325	22,691	28%	75%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Rosedale Extension - 804 Sites (Phase 2) - Human Settlement (Services)	15,832	15,832	17,123	8%	8%
Kwanobuhle Area 11 - Human Settlement (Services)	11,000	15,200	26,737	43%	59%
Ekuphumleni - Kwazakhele - Human Settlement (Services)	13,288	10,248	5,297	-93%	-151%
Jagvlagte (Chatty 11-14) - Human Settlement (Services)		2,174	3,952	45%	100%
Sisulu Village - Human Settlements (Services)		25	25	0%	100%
Seaview Housing Job - Human Settlement (Services)	500	500			
Walmer Development - Human Settlement (Services)	33,205	19,059	24,922	24%	-33%
Hunters Retreat - Grogro - Human Settlement (Services)	1,500	2,900	2,563	-13%	41%
Walmer Q Phase 3 - Human Settlements (Services)		148	245	40%	100%
MK Silver 2 Qaqawuli - Human Settlement (Services)	27,000	25,200	10,275	-145%	-163%
Motherwell NU 30 - Human Settlement (Services)	15,580	25,520	28,045	9%	44%
Malabar Ext 6 Phase 2 - Human Settlement (Services)	15,884	834	880	5%	-1705%
Masakhana Village - Human Settlement (Services)	7,000	7,000	5,356	-31%	-31%
Kuyga Phase 3 - Human Settlement (Services)	500	500			
Motherwell NU 29 - Phase 2 Stage 2 - 890 Sites		5			
Kwanobuhle ERF 8228 - Human Settlement (Services)	500	4,784	5,385	11%	91%
Nkatha/Seyisi - Human Settlement (Services)	1,500	700			
Raymond Mhlaba (Buyambo) - Human Settlement (Services)	4,065	4,065	1,050	-287%	-287%
Bethelsdorp Ext 32, 34 & 36 - Human Settlement (Services)	500	500			
Dikisa Street - Human Settlements (Services)		850	508	-67%	100%
Kleinskool Kliprand - Human Settlement (Services)	400	400			
Mandelaville		80	79	-2%	100%
Pola Park - Human Settlement (Services)	3,763	3,763	5,506	32%	32%
<b>Roads Services</b>					
Resurfacing of Subsidised Roads	5,000	2,000	5,377	63%	7%
Resurfacing Tar roads (non-subsidy)	5,000	2,000	7,321	73%	32%
Rehabilitation of Verges and Sidewalks - Northern Areas	1,000	1,000	961	-4%	-4%
TM24 Guidance Signs	250	250	314	20%	20%



Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
H45 Redhouse - Chelsea Arterial: Walker Drive to N2		6,040			
H103: Heugh Road (MR427) Widening (3rd Avenue to Wentworth)	10,000		-		
Replacement Vehicles Fleet	4,000	6,000	5,644	-6%	29%
Traffic Control Equipment (Subsidy)	500	1,500	1,493	0%	67%
Traffic Calming Measures	4,000	4,000	3,939	-2%	-2%
Minor Intersection Improvements	1,000	1,000	1,199	17%	17%
Njoli Square Redevelopment (2,100,085.92)	4,458	2,100	2,100	0%	-112%
Glen Hurd drive Upgrading			343	100%	100%
Magennis Street Reconstruction	7,000	7,000	2,424	-189%	-189%
Peri-Urban: Rehabilitation of gravel roads	1,500	1,500	1,473	-2%	-2%
Road Management System	500	500			
Upgrading Depots and Offices	2,500	2,500	2,198	-14%	-14%
Provision of Rudimentary Services - Roads and Stormwater	1,000	1,000	3,772	73%	73%
Miscellaneous Investigations & Designs -Roads and Stormwater	2,000	1,700	2,811	40%	29%
Development of Stormwater Management System	750	750	877	14%	14%
Facilities for the Disabled	200	200	174	-15%	-15%
Tarring of Gravel Roads	80,000	90,837	107,682	16%	26%
Public Transport Facilities		1,500	877	-71%	100%
Provision of Sidewalks	8,500	10,500	8,948	-17%	5%
Realignment of Kragga Kamma Road		1,170	1,170	0%	100%
Groundwater Problem Elimination Northern Areas	1,000	1,000	894	-12%	-12%
Fleet Management System	1,750	750			
New Traffic Signals	750	750	748	0%	0%
Rehabilitation of roads	3,500	3,500	5,890	41%	41%
Laboratory equipment - Scientific Services	1,880	2,880	787	-266%	-139%
Planning and Design of Main Roads	1,000	250			
Rehabilitation of Bridge Structures	2,000	2,000	1,695	-18%	-18%
Laboratory Information System	1,000			100%	
Construction of Footbridges	1,000	1,000			
Seyisi Square & Daku Square Development		3,000	2,095	-43%	100%
Fleet Management - Workshop Equipment	500	500	306	-63%	-63%
Computer Upgrade - I & E		300	145	-106%	100%
Rehabilitation of Workshop Buildings	2,000	3,000	532	-464%	-276%
Construction of Bloemendal Arterial	10,000		-		
Walmer Gqebera			11,722	100%	100%
Upgrading of Fountain Road - Walmer Township	1,000	1,000			
<b>Transport Services</b>					
IPTS Work Package: Pedestrian Bridges	15,000	1,000	635	-57%	-2261%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
(Standford Road)					
IPTS Work Package: Bus Rapid Transit	132,961	30,691	7,352	-317%	-1709%
IPTS Work Package: Public Transport Facilities			1,041	100%	100%
<b>Stormwater</b>					
Motherwell Canal Wetlands	1,000	960	88	-986%	-1031%
Lorraine Stormwater Control	4,000	8,000	3,559	-125%	-12%
Stormwater Improvements	2,500	2,500	5,291	53%	53%
Paapenkuis Canal Rehabilitation	500	500			
Motherwell NU29 & 30 : Roads & S/w Bulk Infrastructure	4,000	2,800	814	-244%	-391%
Flood Risk Improvements: Chatty River	2,000	1,000	1,330	25%	-50%
New Brighton/Kwazakhele: Bulk Stormwater	2,000	2,000	1,770	-13%	-13%
Flood Risk and Improvements (Swartkops & Chatty)	1,500	750			
Rehabilitation of Infrastructure Salt Pans	100	100			
Zwide Bulk Stormwater	3,000	2,700	3,279	18%	9%
Theescombe / Gqebera Bulk Stormwater	27,000		-		
Blue Horizon Bay Bulk Stormwater	2,000	250			
Summerstrand Bulk Stormwater	22,000	16,830	15,039	-12%	-46%
Chatty: Stormwater Improvement	5,000	2,500	56	-4370%	-8841%
Cannonville/Colchester: Stormwater improvements	2,000	2,000	1,460	-37%	-37%
Greenbushes: Stormwater Improvements	1,500	250			
Stormwater Improvements Ikamvelihle	2,000	2,000	1,968	-2%	-2%
Rehabilitation of Stormwater Ponds	2,000	2,000	1,923	-4%	-4%
Stormwater Improvements - Mayoral Project	20,000	20,000	4,612	-334%	-334%
			(2,714)		
<b>Planning Services</b>					
Motherwell Traffic and Licencing Centre	8,060	16,745			
<b>Economic development</b>					
Rehabilitation of Market Building Infrastructure		1,927	1,897	-2%	100%
Fountain Road Redevelopment	6,326	4,221	4,312	2%	-47%
Auto Cluster (UDDI) - Logistics Park			652	100%	100%
<b>Libraries; Archives; Museums; Galleries; Community Facilities; Other</b>					
Upgrade and Restoration of Libraries	2,000	5,600	1,859	-201%	-8%
Office Accommodation -Ward Councillors	4,500	4,500	4,267	-5%	-5%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Upgrade of Community Halls	3,150	4,015	3,909	-3%	19%
Office Renovations	2,500	2,500	2,499	0%	0%
Airconditioning of Buildings	2,500	2,500	2,494	0%	0%
Lillian Diedericks Building - Upgrading and Rehabilitation	1,000	1,000	992	-1%	-1%
Rehabilitation of Noninzi Luzipho Building	900	35			
KwaNobuhle Municipal Aerodome Upgrade Perimeter Fencing	500	500	500	0%	0%
Woolboard Conference Centre - Rehabilitation and Upgrade					
Upgrade of Municipal Depots	4,500	4,500	4,459	-1%	-1%
Algoa House Upgrade	1,500	1,500	1,499	0%	0%
Secure Municipal Parks Facilities	2,500	2,500	3,128	20%	20%
Upgrade of Public Toilets	1,500				
Centralised Armoury – Sidwell		36	41	13%	100%
Storage Facility	500		-		
Elevator for Sidwell Traffic Department	500	1,200			
Upgrade to facility at Harrower Road Depot - Security Section	400	500	485	-3%	17%
Refurbishment of Korsten Security Offices	400	400	394	-2%	-2%
Extension of Traffic Pound	200		-		
Resurfacing of Driver's Testing Ground	800	800	794	-1%	-1%
<b>Cemeteries</b>					
Upgrade and Development of Cemeteries	2,500	3,000	3,075	2%	19%
Fencing of Cemeteries	6,000	10,200	10,624	4%	44%
Water drainage and roads at Cemeteries	2,000	400			
<b>Bio-diversity and Landscaping</b>					
Implementation - Van Der Kemp's Kloof	1,000	1,000	1,253	20%	20%
Reinstatement of Embankments - Coastal Revetments	1,500	1,500	1,449	-4%	-4%
Beachfront	1,000	1,000	993	-1%	-1%
Develop Floodplains	1,000	3,400	3,228	-5%	69%
Greenhouse Upgrade - Peter Gibbs Nursery	1,000				
Upgrade Major Parks	2,933	2,933	2,626	-12%	-12%
Climate Change	1,000	1,000	957	-4%	-4%
Upgrade and Development of Public Open Spaces	5,000	5,500	5,727	4%	13%
Playground Equipment	1,500	1,500	1,490	-1%	-1%
Specialised Vehicles and Plant (Parks)	3,000	3,000	1,866	-61%	-61%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Clinics</b>					
Occupational Health and Wellness Center at Walmer	1,500	1,500	1,399	-7%	-7%
Occupational Health Services - Medical Equipment	1,000	1,000	521	-92%	-92%
<b>Fire Services</b>					
Replacement of standby generators	318	318	316	-1%	-1%
Replacement of engine bay doors	530	530	433	-22%	-22%
Purchase of Plant and Equipment (Fire & Emergency Services)	1,000	1,000			
Replacement of radios	1,500	1,500	1,023	-47%	-47%
<b>Security</b>					
Firearms and Accessories	500	314	250	-100%	
Vehicles for Safety and Security (Security Only)	200	650	576	65%	
<b>Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc</b>					
Disaster Management Centre/ South End Fire Station	2,000	2,000	3,005	33%	33%
CCTV Equipment & Infrastructure	1,500	1,500	880	-70%	-70%
EFMS Additional Software and Hardware Applications	370	370	356	-4%	-4%
GIS equipment	800	700	479	-46%	-67%
Upgrade of Uitenhage Dog Pound	1,000	1,000	1,020	2%	2%
Replacement of Animal Control Vehicles	1,000	1,000	706	-42%	-42%
Additional Satellite Office	500	200	200	0%	-150%
<b>Sport and Recreation</b>					
Upgrade Existing Sports Facilities	10,000	11,000	2,298	-379%	-335%
Maintain/Rehabilitate Sports Facility Infrastructure	4,000	4,000	2,663	-50%	-50%
Rehabilitate and Upgrading of Swimming Pool Structures	1,500	1,500			
Springs Resort-Upgrade Infrastructure	3,000	3,000	2,379	-26%	-26%
Secure Recreational Buildings / Facilities	500	500	668	25%	25%
Upgrade Beaches – Tourism	3,000	3,000	2,754	-9%	-9%
Sport and Recreational Facilities - Mayoral Project	54,500	50,400	41,980	-20%	-30%

Capital Programme by Project: 2015/16					
R' 000					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Red City Soccer Field - Mayoral Project	1,000	1,500	573	-162%	-74%
Mendi Bottle Store Renovation	9,000	20,400	9,707	-110%	7%
Memorial Sites - Mayoral Project	8,000	8,000	624	-1182%	-1182%
Rivonia Trial Sculpture - Mayoral Project	8,000	8,000			
Upgrade Wolfson Stadium Phase 3			(183)	100%	100%
<b>Executive &amp; Council</b>					
Corporate GIS Applications	6,850	6,850	3,422	-100%	-100%
NMBM Multi-purpose Stadium		13,168	11,725	-12%	100%
<b>Financial Services</b>					
System Enhancements - Various	70,000	70,000	35,714	-96%	-96%
Financial Accounting Control and Systems Development	4,000	4,000			
Replacement of Revenue Sub Directorate Computer Equipment	500	350	330	-6%	-51%
Upgrade and Furnishing Customer Care Centres		730	415	-76%	100%
Financial Asset Management Integration: Computer Hardware	1,000	1,000	503	-99%	-99%
Creditors Filing Equipment		1,142			
Replacement Handheld Devices - Meter Reading	900	900	627	-44%	-44%
Replacement of Vending POS Equipment	600	600	494	-22%	-22%
<b>ICT and Other</b>					
Computer Enhancements – Corporate	6,000	6,000	4,017	-49%	-49%
Wi-fi Internet Access To Public Spaces			2,823	100%	100%
Computer and Office Equipment	500	500	682	27%	27%
Upgrade Infrastructure: Metro Integration	500	500	432	-16%	-16%
Upgrade and replacement of computers	500	500	488	-3%	-3%
<b>Total</b>	<b>1,557,889</b>	<b>1,488,554</b>	<b>1,309,320</b>	<b>-14%</b>	<b>-19%</b>

**APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD: YEAR 0  
(2013/14)**

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
<b>Water</b>	
Improvements to System - General	Support Services - Water Network Expansion & Rehabilitation
Elandsjagt - Upgrade to Restore Capacity	Support Services - Water Network Expansion & Rehabilitation
Reservoir Fencing	Support Services - Water Network Expansion & Rehabilitation
Rehabilitation of Reservoirs	Support Services - Water Network Expansion & Rehabilitation
Loerie Treatment Works: Rehabilitation	Support Services - Water Network Expansion & Rehabilitation
Installation of Zone Water meters	Support Services - Water Network Expansion & Rehabilitation
Purchase of Water Meters - Metro	Support Services - Water Network Expansion & Rehabilitation
Upgrade of Groendal Water Treatment Works	Wards 45, 46, 48, 49, 50, 51
Construction of Amanzi Reservoir and Pipeline	Support Services - Water Network Expansion & Rehabilitation

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Seaview Bulk Water	Ward 40
Construction of a 1,0 MI reclaimed effluent reservoir: Uitenhage	Wards 47, 48, 49, 50
Water Services Maintenance Backlog: Pipelines	Support Services - Water Network Expansion & Rehabilitation
Office Accommodation: Water	Support Services - Water Network Expansion & Rehabilitation
Metro Water: Master Plan	Support Services - Water Network Expansion & Rehabilitation
Nooitgedagt / Coega Low Level Scheme	Support Services - Water Network Expansion & Rehabilitation
Seaview Pump Station: Upgrade	Ward 40
Upgrading of Churchill Water Treatment Works	Support Services - Water Network Expansion & Rehabilitation
Coega Reclaimed Effluent Scheme	Ward 60
Rudimentary Service: Water	Support Services - Water Network Expansion & Rehabilitation
Groendal Dam: Rock Stabilisation and Improved Outlet	Ward 45
Access Roads: Upgrade	Support Services - Water Network Expansion & Rehabilitation
Telemetry Systems: Upgrade	Support Services - Water Network Expansion & Rehabilitation
Purchase New Vehicles	Support Services - Vehicles

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	Acquisition
Groundwater Investigation	Support Services - Water Network Expansion & Rehabilitation
Desalination Augmentation	Support Services - Water Network Expansion & Rehabilitation
Rehabilitation of Pipe Bridges	Support Services - Water Network Expansion & Rehabilitation
Bulk Water Metering and Control	Support Services - Water Network Expansion & Rehabilitation
Water Service Maintenance Backlogs: Pump Stations	Support Services - Water Network Expansion & Rehabilitation
<b>Sanitation/Sewerage</b>	
Sewer Replacement and Relining	Support Services - Sanitation Network Expansion & Rehabilitation
Improvements to Sewerage System	Support Services - Sanitation Network Expansion & Rehabilitation
Chatty Valley Collector Sewer Stage 1 (nodes 20 -24)	Support Services - Sanitation Network Expansion & Rehabilitation
Replacement of Sewerage Collection Vehicles & Equipment	Support Services - Vehicle



<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	Acquisition
Paapenkuils Main Sewers Augmentation	Support Services - Sanitation Network Expansion & Rehabilitation
Telemetry - Pump Stations	Support Services - Sanitation Network Expansion & Rehabilitation
WWTW - Sludge Treatment and disposal facilities	Support Services - Sanitation Network Expansion & Rehabilitation
WWTW: Building Repairs and Concrete Rehab.	Support Services - Sanitation Network Expansion & Rehabilitation
Markman - Replace 600mm Sewer	Ward 60
Rockland PHB Housing Project: Wastewater Treatment Works	Ward 40
Upgrade Despatch Reclamation Works	Support Services - Sanitation Network Expansion & Rehabilitation
Witteklip Bulk Sewerage	Ward 40
Seaview Bulk Sewer	Ward 40
Sewers: Maintenance Backlog	Support Services - Sanitation Network Expansion & Rehabilitation
Sewerage Master Plan	Support Services - Sanitation Network Expansion & Rehabilitation

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Office Accommodation : Sanitation	Support Services - Sanitation Network Expansion & Rehabilitation
Augment Collector Sewer for Walmer Heights and Mt Pleasant	Ward 1
WWTW : SCADA / Telemetry links	Support Services - Sanitation Network Expansion & Rehabilitation
Improve access roads	Support Services - Sanitation Network Expansion & Rehabilitation
Rudimentary Services: Sanitation	Support Services - Sanitation Network Expansion & Rehabilitation
Bucket Eradication Programme	Support Services - Sanitation Network Expansion & Rehabilitation
Driftsands WWTW Phase 3 extension	Support Services - Sanitation Network Expansion & Rehabilitation
Cape Receife WWTW : Upgrade	Support Services - Sanitation Network Expansion & Rehabilitation
Colchester - Sewer Reticulation	Ward 53
Colchester - Bulk Sewerage Infrastructure & WWTW	Ward 53
Jagtlakte Bulk Sewerage	Ward 40, 41
Motherwell North Bulk Sewerage	Ward 53, 54, 56
Motherwell/ Coega WWTW and Outfall Sewer	Ward 53, 56

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Driftsands Collector Sewer - Augmentation	Wards 1, 4
Sewerage Pump Station : Maintenance Backlog	Support Services - Sanitation Network Expansion & Rehabilitation
Rehabilitation of Kwazakhele Collector Sewer	Support Services - Sanitation Network Expansion & Rehabilitation
Kwanobuhle WWTW : Upgrading	Ward 43
Kelvin Jones WWTW: Upgrade	Support Services - Sanitation Network Expansion & Rehabilitation
Brickfields: Upgrade	Support Services - Sanitation Network Expansion & Rehabilitation
Fishwater Flats WWTW Upgrade	Support Services - Sanitation Network Expansion & Rehabilitation
TEI: Sampling Stations	Support Services - Sanitation Network Expansion & Rehabilitation
Reclaimed Wastewater	Support Services - Sanitation Network Expansion & Rehabilitation
Motherwell Main Sewer Upgrade	Support Services - Sanitation Network Expansion &

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	Rehabilitation
Swartkops Low Level Collector Sewer Upgrade	Wards 18, 19, 21, 26
Bulk Sewers Joe Slovo, Mandelaville, Allenridge West UIT	Wards 48, 49, 50
Industrial Site (Airport Valley) - Bulk Sewer	Ward 4
KwaNobuhle Area 11 - Link Sewer	Ward 45
Upgrade and Rehabilitation of the Korsten Dry Lake Area	Ward 7
<b>Electricity</b>	
Radio & Test Equipment	Support Services - Equipment
Non Electrification Areas - Service Connections	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Electricity Buildings improvements	Support Services - Equipment
Low Voltage Reticulation Improvement	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Miscellaneous Mains and Substations	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Peri-Urban Network	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Private Township Development	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Informal Housing Electrification	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Public Lighting	Wards 1 to 60
Meters and Current Transformers	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Supervisory Control Systems Upgrade	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Reinforcement of Electricity Network - Redhouse	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Reinforcement of Electricity Network - Wells Estate	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Reinforcement of Electricity Network - Summerstrand	Support Services - Electricity Network Expansion, Rehabilitation and

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	Reinforcement
Reinforcement of Electricity Network - Newton Park	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Reinforcement of Electricity Network- Bethelsdorp 11 kV	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Cable Replacement 6.6kV	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Replacement of MV Switchgear	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Relay Replacement	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Distribution Kiosk Replacement	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Reinforcement of Electricity Network - Malabar/ Helenvale	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Coega Reinforcement	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Substation Security Alarm Upgrade	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Reinforcement of Electricity Network - Korsten	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Uitenhage / Despatch SCADA	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Reinforcement of Electricity Network - Ibhayi	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement
Reinforcement of Electricity Network - Uitenhage	Support Services - Electricity Network Expansion, Rehabilitationand Reinforcement

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
New/Replacement of plant and motor vehicles	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Reinforcement of Electricity Network - Mount	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Computer Systems Upgrade	Support Services - System Enhancements
Reinforcement of Electricity Network - Despatch	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Reinforcement of Electricity Network - Walmer Lorraine	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Reinforcement of Electricity Network - Hunters	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Overhead Lines Refurbishment	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement



<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
MV and HV Switchgear replacement	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Reinforcement of Electricity Network - Western	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
HV Network Reinforcement - Overhead Cabling	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
HV Line Refurbishment (66 & 132kV)	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Replace Switchgear in Mini susbs - KwaNobuhle	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Control Room Upgrade	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Gas Turbine Refurbishment	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Substation Fibre Optic Backbone	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Fairview Refurbishment	Ward 6
HV Network Reinforcement - Underground Cabling	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
HV Network Reinforcement - New Substations	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Relocation of Existing Electrical Service	Wards 4, 15, 16, 31, 41, 54
Automation of Substations	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Walmer Intervention Programme	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
Refurbishment of Power Transformers	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
HV Cable Oil Pressure Plant	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
North Depot Improvements	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Munelek Yard Resealing	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Smart Grid Initiative Programmes	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
NMBM-Amat Prepaid meter project	Support Services - Electricity Network Expansion, Rehabilitation and Reinforcement
<b>Waste Management Services</b>	
Replacement of Refuse Compactors	Support Services - Public Health Projects
Urban Refuse Transfer Recycling Stations	Wards 25, 37
Waste Management Containers	Support Services - Public Health Projects
Development of Waste Disposal Facilities	Support Services - Public Health Projects

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
<b>Housing</b>	
Vehicles -Human Settlements (Services)	Support Services - Vehicle Acquisition
Land Acquisition - Human Settlements	Support Services - Land Acquisition
Joe Slovo - Uitenhage Phase 1- Human Settlements (Services)	Ward 48
Wells Estate Phase 3 - Ext 4 & 5-Human Settlements(Services)	Ward 56, 60
Khayamnandi Extension - Human Settlement (Services)	Ward 41
Missionvale Garden Lots - Human Settlement (Services)	Ward 32
Rosedale Extension - 804 Sites (Phase 2) - Human Settlement (Services)	Ward 53
Kwanobuhle Area 11 - Human Settlement (Services)	Ward 45
Ekuphumleni - Kwazakhele - Human Settlement (Services)	Ward 19
Jagvlagte (Chatty 11-14) - Human Settlement (Services)	Ward 41
Sisulu Village - Human Settlements (Services)	Ward 24
Seaview Housing Job - Human Settlement (Services)	Ward 40
Walmer Development - Human Settlement (Services)	Ward 4
Hunters Retreat - Grogro - Human Settlement (Services)	Ward 39
Walmer Q Phase 3 - Human Settlements (Services)	Ward 4
MK Silver 2 Qaqawuli - Human Settlement (Services)	Ward 16
Motherwell NU 30 - Human Settlement (Services)	Ward 54
Malabar Ext 6 Phase 2 - Human Settlement (Services)	Ward 12
Masakhana Village - Human Settlement (Services)	Ward 24
Kuyga Phase 3 - Human Settlement (Services)	Ward 40
Motherwell NU 29 - Phase 2 Stage 2 - 890 Sites	Ward 54
Kwanobuhle ERF 8228 - Human Settlement (Services)	Ward 42
Nkatha/Seyisi - Human Settlement (Services)	Ward 19
Raymond Mhlaba (Buyambo) - Human Settlement (Services)	Ward 21
Bethelsdorp Ext 32, 34 & 36 - Human Settlement (Services)	Ward 37
Dikisa Street - Human Settlements (Services)	Ward 42
Kleinskool Kliprand - Human Settlement (Services)	Ward 33
Mandelaville	Ward 18
Pola Park - Human Settlement (Services)	Ward 50

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
<b>Roads Services</b>	
Resurfacing of Subsidised Roads	Support Services - General Improvements
Resurfacing Tar roads (non-subsidy)	Support Services - General Improvements
Rehabilitation of Verges and Sidewalks - Northern Areas	Support Services - General Improvements
TM24 Guidance Signs	Support Services - General Improvements
H45 Redhouse - Chelsea Arterial: Walker Drive to N1	Ward 39
H103: Heugh Road (MR427) Widening (3rd Avenue to Wentworth)	Ward 3
Replacement Vehicles Fleet	Support Services - Vehicle Acquisition
Traffic Control Equipment (Subsidy)	Support Services - Equipment
Traffic Calming Measures	Wards 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 17, 18, 20, 21, 22, 23, 24, 26, 30, 31, 32, 34, 35, 36, 37, 39, 39, 40, 41, 42, 43, 44, 45, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58
Minor Intersection Improvements	Support Services - General Improvements
Njoli Square Redevelopment	Ward 22
Glen Hurd drive Upgrading	Ward 6
Magennis Street Reconstruction	Ward 48

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Peri-Urban: Rehabilitation of gravel roads	Support Services - General Improvements
Road Management System	Support Services - System Enhancements
Upgrading Depots and Offices	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Provision of Rudimentary Services - Roads and Stormwater	Support Services - General Improvements
Miscellaneous Investigations & Designs -Roads and Stormwater	Support Services - General Improvements
Development of Stormwater Management System	Support Services - System Enhancements
Facilities for the Disabled	Support Services - General Improvements
Tarring of Gravel Roads	Wards 4, 7, 11, 14, 15, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 40, 41, 42, 44, 45, 46, 47, 48, 50, 52, 54, 55, 56, 57 58, 59, 60
Public Transport Facilities	Support Services - General Improvements
Provision of Sidewalks	Wards 1, 3, 7, 8, 9, 10, 13, 14, 16, 17, 20, 22, 25, 27, 29, 32, 34, 35, 38, 39, 40,

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	42, 43, 44, 45, 46, 47, 48, 50, 52, 53, 60
Realignment of Kragga Kamma Road	Ward 6
Groundwater Problem Elimination Northern Areas	Support Services - General Improvements
Fleet Management System	Support Services - System Enhancements
New Traffic Signals	Support Services - General Improvements
Rehabilitation of roads	Support Services - General Improvements
Laboratory equipment - Scientific Services	Support Services - Equipment
Planning and Design of Main Roads	Support Services - General Improvements
Rehabilitation of Bridge Structures	Support Services - General Improvements
Laboratory Information System	Support Services - System Enhancements
Construction of Footbridges	Support Services - General Improvements
Seyisi Square & Daku Square Development	Ward 21
Fleet Management - Workshop Equipment	Support Services - Equipment
Computer Upgrade - I & E	Support Services - General Improvements
Rehabilitation of Workshop Buildings	Support Services - Rehabilitation & Upgrade of Municipal Buildings

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Construction of Bloemendal Arterial	Ward 41
Walmer Gqebera	Ward 3
Upgrading of Fountain Road - Walmer Township	Ward 4
<b>Transport Services</b>	
IPTS Work Package: Pedestrian Bridges (Standford Road)	Ward 10
IPTS Work Package: Bus Rapid Transit	Support Services - General Improvements
IPTS Work Package: Public Transport Facilities	Support Services - General Improvements
<b>Stormwater</b>	
Motherwell Canal Wetlands	Ward 60
Lorraine Stormwater Control	Ward 8
Stormwater Improvements	Support Services - General Improvements
Paapenkuils Canal Rehabilitation	Ward 12
Motherwell NU29 & 30 : Roads & S/w Bulk Infrastructure	Support Services - General Improvements
Flood Risk Improvements: Chatty River	Ward 33
New Brighton/Kwazakhele: Bulk Stormwater	Ward 16, 17, 18, 19, 20, 21, 22, 24, 25
Flood Risk and Improvements (Swartkops & Chatty)	Support Services - General Improvements
Rehabilitation of Infrastructure Salt Pans	Ward 31
Zwide Bulk Stormwater	Ward 26
Theescombe / Gqebera Bulk Stormwater	Ward 4
Blue Horizon Bay Bulk Stormwater	Ward 40
Summerstrand Bulk Stormwater	Ward 2
Chatty: Stormwater Improvement	Ward 41



<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
Cannonville/Colchester: Stormwater improvements	Ward 53
Greenbushes: Stormwater Improvements	Ward 40
Stormwater Improvements Ikamvelihle	Ward 56
Rehabilitation of Stormwater Ponds	Support Services - General Improvements
Stormwater Improvements - Mayoral Project	Support Services - General Improvements
<b>Planning Services</b>	
Motherwell Traffic and Licencing Centre	Ward 58
<b>Economic development</b>	
Rehabilitation of Market Building Infrastructure	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Fountain Road Redevelopment	Ward 4
Auto Cluster (UDDI) - Logistics Park	Support Services - Rehabilitation & Upgrade of Municipal Buildings
<b>Libraries; Archives; Museums; Galleries; Community Facilities; Other</b>	
Upgrade and Restoration of Libraries	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Office Accommodation -Ward Councillors	Support Services - Rehabilitation & Upgrade of

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	Municipal Buildings
Upgrade of Community Halls	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Office Renovations	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Airconditioning of Buildings	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Lillian Diedericks Building - Upgrading and Rehabilitation	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Rehabilitation of Noninzi Luzipho Building	Support Services - Rehabilitation & Upgrade of Municipal Buildings
KwaNobuhle Municipal Aerodome Upgrade Perimeter Fencing	Ward 48
Woolboard Conference Centre - Rehabilitation and Upgrade	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Upgrade of Municipal Depots	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Algoa House Upgrade	Support Services - Rehabilitation & Upgrade of

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	Municipal Buildings
Secure Municipal Parks Facilities	Ward 3, 35
Upgrade of Public Toilets	Support Services - Public Health Services
Centralised Armoury - Sidwell	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Storage Facility	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Elevator for Sidwell Traffic Department	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Upgrade to facility at Harrower Road Depot -Security Section	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Refurbishment of Korsten Security Offices	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Extension of Traffic Pound	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Resurfacing of Driver's Testing Ground	Support Services - Rehabilitation & Upgrade of Municipal Buildings

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
<b>Cemeteries</b>	
Upgrade and Development of Cemeteries	Wards 2, 4, 29, 35, 47, 52
Fencing of Cemeteries	Wards 31, 35, 39
Water drainage and roads at Cemeteries	Ward 50
<b>Bio-diversity and Landscaping</b>	
Implementation - Van Der Kemp's Kloof	Ward 32
Reinstatement of Embankments - Coastal Revetments	Support Services - Public Health Services
Beachfront	Wards 1, 2, 60
Develop Floodplains	Support Services - Public Health Services
Greenhouse Upgrade - Peter Gibbs Nursery	Ward 3
Upgrade Major Parks	Ward 3
Climate Change	Support Services - General Improvements
Upgrade and Development of Public Open Spaces	Wards 18, 22, 40, 41, 42, 45, 46, 53, 59, 60
Playground Equipment	Wards 31, 40, 42, 45, 53, 59
Specialised Vehicles and Plant (Parks)	Support Services - Public Health Services
<b>Clinics</b>	
Occupational Health and Wellness Center at Walmer	Support Services - Public Health Services
Occupational Health Services - Medical Equipment	Support Services - Equipment

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
<b>Fire Services</b>	
Replacement of standby generators	Support Services - Equipment
Replacement of engine bay doors	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Purchase of Plant and Equipment (Fire & Emergency Services)	Support Services - Equipment
Replacement of radios	Support Services - Equipment
Firearms and Accessories	Support Services - Equipment
<b>Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc</b>	
Disaster Management Centre/ South End Fire Station	Support Services - Rehabilitation & Upgrade of Municipal Buildings
CCTV Equipment & Infrastructure	Support Services - Equipment
EFMS Additional Software and Hardware Applications	Support Services - System Enhancements
GIS equipment	Support Services - Equipment
Upgrade of Uitenhage Dog Pound	Support Services - General Improvements
Replacement of Animal Control Vehicles	Support Services - Vehicle Acquisitions
Additional Satellite Office	Support Services - Rehabilitation & Upgrade of

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
	Municipal Buildings
<b>Sport and Recreation</b>	
Upgrade Existing Sports Facilities	Wards 3, 16, 21, 26, 41, 44, 50, 57, 58
Maintain/Rehabilitate Sports Facility Infrastructure	Wards 44, 48, 49, 50
Rehabilitate and Upgrading of Swimming Pool Structures	Ward 49, 52
Springs Resort-Upgrade Infrastructure	Ward 51
Secure Recreational Buildings / Facilities	Wards 3, 29, 23, 25, 49, 51
Upgrade Beaches - Tourism	Ward 60
Sport and Recreational Facilities - Mayoral Project	Wards 7, 10, 11, 12, 16, 19, 21, 23, 24, 25, 32, 40, 41, 47, 48, 51, 52, 53, 57, 58, 59
Red City Soccer Field - Mayoral Project	Ward 15
Mendi Bottle Store Renovation	Ward 14
Memorial Sites - Mayoral Project	Support Services - General Improvements
Rivonia Trial Sculpture - Mayoral Project	Ward 15
Upgrade Wolfson Stadium Phase 2	Support Services - System Enhancements
<b>Executive &amp; Council</b>	
Corporate GIS Applications	Support Services - System Enhancements
NMBM Multi-purpose Stadium	Support Services - General Improvements

<b>Capital Programme by Project by Ward: 2015/16</b>	
R' 000	
Capital Project	Ward(s) affected
<b>Financial Services</b>	
System Enhancements - Various	Support Services - System Enhancements
Financial Accounting Control and Systems Development	Support Services - System Enhancements
Replacement of Revenue Sub Directorate Computer Equipment	Support Services - Equipment
Upgrade and Furnishing Customer Care Centres	Support Services - Rehabilitation & Upgrade of Municipal Buildings
Financial Asset Management Integration: Computer Hardware	Support Services - Equipment
Creditors Filing Equipment	Support Services - Equipment
Replacement Handheld Devices - Meter Reading	Support Services - Equipment
Replacement of Vending POS Equipment	Support Services - Equipment
<b>ICT and Other</b>	
Computer Enhancements - Corporate	Support Services - System Enhancements
Wi-fi Internet Access To Public Spaces	Support Services - Equipment
Computer and Office Equipment	Support Services - Public Health Services
Upgrade Infrastructure: Metro Integration	Support Services - Public Health Services
Upgrade and replacement of computers	Support Services - Equipment

## **APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS**

The Municipality has no service connection backlogs for schools or clinics. Connections are provided as and when required.



**APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY  
WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR  
SERVICE PROVISION**

Clinics and schools falls under the responsibility of the Eastern Cape Provincial Government. The Municipality has no backlogs for schools or clinics. Connections are provided as and when required.

The Municipality is responsible for the provision of services such as housing, sports fields and licensing and testing centres. Information with regard to the latter is reflected in Chapter 3 of this Annual Report.

## APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: 2015/16				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2015/16 R' 000	Total Amount committed over previous and future years
EC Philharmonic Society			11 000	
Eastern Province Society of Art and Crafts t/a Art EC			45 000	
Feather Market Organ Society			40 000	
Friends of Nelson Mandela Bay Art Museum			19 000	
New Generation Dancesport Development Academy			14 500	
South End Museum Trust			105 000	
ACVV Polar Avenue			10 000	
ACVV Polar Avenue Mina Moo Play Group			20 000	
African Scholars' Fund			150 000	
Anchor of Hope Community Development			10 000	
Charlotte's Educare Centre			20 000	
Chief Albert Luthuli Daycre Centre			14 000	
Dorkas Educare			20 000	
Dorothy Tomlinson Pre-school			20 000	
Eagle Babes Daycare Centre			20 000	
Early Rose Care Centre			20 000	
EP Child Youth Care Centre Ray Mhlaba Training Centre			60 000	
Harvest Educare Pre-School			20 000	
			10 000	
Help Our People Excel Foundation t/a Hope Foundation			(pending site visit from Ms S Claasen	
House of Resurrection Haven Bongoletu Play School			10 000	

Declaration of Loans and Grants made by the municipality: 2015/16				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2015/16 R' 000	Total Amount committed over previous and future years
Iliso Community Creche and Pre School			20 000	
Litha Care Centre			10 000	
Ithemba Special Day Care Centre			10 000	
Jongilanga Pre – School			20 000	
Kamvelihle Pre-School			20 000	
Linge's Tots Development Centre			20 000	
Liyema Pre-School			20 000	
Lusindiso Educare Centre			20 000	
Masifunde Siphulisa Umfundi t/a Masifunde Learner Development			50 000	
Masihlumenathi Educare Centre			20 000	
Masinyusane Development Organisation			50 000	
Nelisa Pre-School			20 000	
Ngomso Youth Foundation			20 000	
Nobandla Educare Centre			20 000	
Nomsingathi Community Creche			20 000	
Nomtha's Educare Centre			20 000	
Nomzamo Nursery Creche			20 000	
Nomzamo Pre-School Motherwell Nu 8			20 000	
Nonkqubela Pre-School KwaDwesi			20 000	
Nonkqubela Pre-School Motherwell			20 000	
Omega Day/Education Centre			20 000	
Reach: Operating as Reality Training Centre			20 000	
Sakhuxolo Pre-School			20 000	

Declaration of Loans and Grants made by the municipality: 2015/16				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2015/16 R' 000	Total Amount committed over previous and future years
Siduli Day Care Centre			20 000	
			50 000	
Siyaloba Training Academy			Pending submission of breakdown	
Sizwe Sethu Educare Centre			20 000	
Songenathi Educare			20 000	
Sonwabile Educare Centre			20 000	
St Don Boscoe Creche			20 000	
Tina's Pre-School and Nursery			20 000	
Umzamomhle Pre-School			20 000	
Vezokuhle Youth Development Project			15 200	
Vulisango Pre-School			20 000	
Vusisizwe Creche and Pre-School			20 000	
Zamukukhanya Pre-School KwaDwesi			20 000	
Zwide Pre-Primary School			20 000	
Local Economic Development				
Calabash Trust			95 000	
Eastern Province Clivia Club			14 000	
Eastern Province Orchid Society			10 000	
National Sea Rescue Institution			350 000	
Wildlife and Environment Society of South Africa				
(WESSA)			80 000	
Zwartkops Conservancy			150 000	
Bay City Soccer School			25 000	
EP Natural Bodybuilding Association			75 000	
EP Rugby Union			450 000	

Declaration of Loans and Grants made by the municipality: 2015/16				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2015/16 R' 000	Total Amount committed over previous and future years
Lakeside Cavaliers Hockey Club			15 000	
Nothern Areas Football Association			75 000	
Port Elizabeth Foodball Association (PEFA)			20 000	
Shorin Ryu Karate Club			40 000	
United Through Sports			50 000	
(formerly known as Umzingisi Foundation)				
ACVV Aandmymering Home for Older Persons (Uitenhage)			20 000	
ACVV Algoa Park/Govan Mbeki			20 000	
ACVV Despatch			10 000	
ACVV Despatch Huis Najaar			20 000	
ACVV Despatch Service Centre for the Aged			20 000	
ACVV Polar Avenue: Adcock van der Vyver Complex for Older People			20 000	
ACVV Polar Avenue: Adolph Schauder Housing Complex for Older People			20 000	
ACVV PE Central Khayaletu Youth Centre and Oliver House			20 000	
ACVV PE North			19 000	
ACVV PE South			20 000	
ACVV PE West-Huis Genot			20 000	
AFM Executive Council-Lelethu Baby Shelter			35 000	
AFM Executive Council-Umephi Daleview Foster Care			50 000	
Al-Fidaa Foundation			300 000	

Declaration of Loans and Grants made by the municipality: 2015/16				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2015/16 R' 000	Total Amount committed over previous and future years
Algoa Bay Council for Aged			30 000	
Animal Anti-Cruelty League			30 000	
Animal Outreaches			15 000	
Aurora Special Care Centre			20 000	
Bet Sheekoom House of Restoration			20 000	
Care Ministry			20 000	
Cerebral Palsy Association (EC)			30 000	
Cheshire Homes (Summerstrand)			30 000	
CHOC Childhood Cancer Foundation			20 000	
Christelike Maatskaplike Raad van die Ring van Uitenhage (CMR Uitenhage)			30 000	
Cleary Estate Cheshire Home			30 000	
Coega Door of Hope			30 000	
Community Chest			1 090 000	
CWSA: Family Restoration Services			50 000	
EP Child and Youth Care Centre			50 000	
Grootboom Hope Foundation			20 000	
Harvest Community Projects-Multi-purpose Centre			10 000	
House of Resurrection Haven			100 000	
Human Heart Services Organisation			20 000	
Ilitha Lethu			10 000	
Jerusalem Home Community Base Care Centre			15 000	
Jerusalem Ministeries			10 000	
Jongilanga Training and Development Centre			10 000	

Declaration of Loans and Grants made by the municipality: 2015/16				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2015/16 R' 000	Total Amount committed over previous and future years
Lithemba Support Group			20 000	
Luthando OVC Care Centre			8 000	
Masinedane Soup Kitchen and Feeding Scheme			20 000	
Masizakhe Community Development Project			20 000	
Mfesane			20 000	
MTR Smit Children's Haven			50 000	
Nazareth House			100 000	
New Life Crisis Pregnancy Centre			25 000	
Nightingale Trust			18 600	
Nkosinathi Foundation of the Blind and Partially Sighted People			20 000	
Oosterland Youth Centre			50 000	
Peddie Development Centre			20 000	
Port Elizabeth Association for the Aged t/a Ekuphumleni Old Age Home			20 000	
Port Elizabeth Mental Health			10 000	
Rape Crisis Centre			150 000	
Retina South Africa: EC Branch			20 000	
Revive-Empowering Emotional Change (formaly Life Line)			50 000	
SANTA (Port Elizabeth)			130 000	
Sinethemba Children's Care Centre			100 000	
SOS Children's Village (PE)			100 000	
S A Red Cross Society			13 200	
St Francis Hospice Association			125 000	
St John Port Elizabeth			50 000	
Thand'Usana Babies Safe Home			40 000	

Declaration of Loans and Grants made by the municipality: 2015/16				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2015/16 R' 000	Total Amount committed over previous and future years
Thinta Uluntu			15 000	
Uitenhage and District SPCA			200 000	
Uviwe Child and Youth Services (formerly known as PE Childline and Family Centre			80 000	
Your Moral Community Association			10 000	
Zanethemba Caharity Foundation			10 000	



## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government	
Outcome/Output	Progress to date
Output: Improving access to basic services	<p><b>Access to Basic Services:</b> During the period under review, the Municipality recorded the following service delivery statistics:</p> <ul style="list-style-type: none"> <li>• 1 235 state subsidised housing units built.</li> <li>• 3 003 erven provided with permanent water and sanitation services.</li> <li>• 550 households relocated from stressed informal settlements and other servitudes to Greenfield development areas.</li> <li>• 1 749 state subsidised houses provided with water connections.</li> <li>• 1 749 state subsidised houses provided with sewer connections.</li> <li>• 450 state subsidized housing units provided with access to electricity.</li> <li>• 1 945 informal households on officially surveyed sites provided with access to electricity.</li> <li>• 100% of households within the urban edge receiving a domestic waste collection service (excluding informal areas on privately owned erven and erven not earmarked for human settlements development).</li> </ul> <p><b>Access to Free Basic Services:</b> The Municipality has an Assistance to the Poor (ATTP) Scheme in place. In terms thereof, the Municipality provided free basic services (water, electricity, sanitation, refuse) to approximately 88 776 indigent households in Nelson Mandela Bay.</p>
Output: Implementation of the Community Work Programme	During 2015/16 financial year, NMBM received an additional allocation of 1 000 work opportunities from CoGTA specifically targeting young people on top of the previous year's allocation of 1 500 work opportunities. To-date there is a total allocation of 2 500 in the CoGTA CWP Programme and the numbers have

<b>National and Provincial Outcomes for Local Government</b>	
<b>Outcome/Output</b>	<b>Progress to date</b>
	been spread (recruited) into over 48 wards across Nelson Mandela Bay with each ward having a minimum of 50 participants recruited.
Output: Deepen democracy through a refined Ward Committee model	Altogether 60 Ward Committees are in place.
Output: Administrative and financial capability	On 11 May 2016 Moodys Investor Services published the results of its repositioning of the national scale ratings (NSRs) of 16 South African sub-sovereign issuers in conjunction with the recalibration of the South African national rating scale. As a result of the recalibration, a Baa2 global scale issue rating was assigned to the NMBM which takes into account the city's solid financial performance and low and declining debt levels. The global rating of Baa2 equates to an Aa1.za on the National rating scale, representing a three (3) notch increase from the previous rating of A1.za when applying the rating scales as per the rating symbols and definitions of Moody's Investors Service (the applicable rating scales are in ascending order: A1; Aa3; Aa2 and Aa1)